INNOVATIVE WORKPLACE FLEXIBILITY OPTIONS FOR HOURLY WORKERS

Corporate Voices
for Working Families

Acknowledgments

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Authors
Amy Richman
Diane Burrus
Lisa Buxbaum
Laurie Shannon
Youme Yai

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Introduction

Lower wage workers are critical to the growth and prosperity of the U.S. economy, but this segment of the workforce remains underserved in both policy and research discussions. There is only faint recognition that more than 25 percent of the U.S. workforce are lower wage workers who earn less than $10 per hour (or less than $20,000 annually) and that significant expansion in this labor segment is anticipated as the economy grows.[1,2] Estimates suggest that the majority of new jobs created in the next few years will be lower wage. Greater attention to this category of worker — especially to the factors that enable their stability, contribution and productivity — is vital both to the health of businesses and to the well-being of the millions of individuals in the lower wage workforce.

Workplace flexibility is one of the areas in which workplace policy for lower income workers has been lacking but in which there is great potential for impact and change. Recent academic research and business reports have demonstrated strong positive outcomes of flexibility for businesses and employees. This research on the "business case" for workplace flexibility has proven to be influential, both in garnering the attention of business and the press and also in demonstrating the feasibility and importance of workplace flexibility as a business tool.[3] However, the focus to date has been primarily on management and professional workers, and relatively little attention has gone to how and whether voluntary flexibility can work for lower wage employees and their employers. Little is known about what kinds of flexibility are successful in lower wage jobs, resulting in a common assumption among employers and managers that flexibility is less feasible, effective or necessary for these positions. Research shows that, for a variety of reasons, lower wage workers generally have less access to voluntary flexibility than higher wage workers. But when it is available to this population, flexibility can have equal or even more powerful outcomes.[4]

The purpose of this project was to create broader awareness of the positive business and employee impacts of flexibility for lower wage hourly and nonexempt workers and to provide practical tools and information about the conditions and practices that make flexibility possible and profitable.

The project sought to answer several research questions.
- What motivates the provision of and use of flexibility for employers and lower wage workers?
- What are the critical success factors from both the organizational and employee perspectives?
- How do organizations deal with and overcome the barriers to flexibility?
- How do organizations ensure that business results have been achieved in the areas of talent management, human capital outcomes and financial performance?

Based on research in five organizations, this report provides documented successful flexibility practice, its business impact and the practical lessons learned from corporate experience with flexibility for lower wage hourly and nonexempt workers. The report presents five case studies of flexibility best practices, quantitative survey findings about flexibility use and impacts, and practical flexibility implementation guides for managers and employees with concrete tips and tools.

Description of the Study

During 2007 and 2008, five organizations that had already implemented flexibility successfully with some portion (at least 200 employees) of their lower wage workforce (generally those earning $12 per hour or less) for at least 12 months were studied.[5] In some cases the flexibility that is being documented extends across the company; in other cases it has been implemented in a division or sector of the business or within specific work teams. Companies participated in both qualitative and quantitative data collection. The participating organizations represent diverse industries (financial services, hospitality, child care and consumer products) and job types (customer-facing workers as well as operations workers). Participating employees include child care providers, customer service representatives, operations specialists, production workers, administrative assistants, sales agents and others.

Workplace Flexibility Defined

The flexibility practices investigated fall into three categories that address distinct needs of lower wage workers. Research has shown that given the nature of their jobs, economic constraints and family needs, the types of flexibility that are possible and beneficial are somewhat different for lower wage workers than for higher wage workers. Thus the types of flexibility studied include several of the "traditional" forms of alternative work arrangements but also extend to include the flexibility that results from greater employee control over scheduling and from personnel policies regarding occasional or episodic flexibility — two areas in which lower wage employees have historically had less access than exempt and higher paid employees.

(1) alternative work schedules — schedules that depart from the standard five day per week, full-time schedule, such as flexible start and end times, compressed workweeks, telework, and voluntary part time with prorated pay and benefits (definitions of the most common alternative work schedules are provided at the end of the report);

(2) employee control over scheduling to accommodate personal preferences or family responsibilities — flexible scheduling, self scheduling, shift swapping and control of unscheduled overtime;

(3) progressive personnel policies for hourly workers that enable employees to manage periodic and unscheduled personal and family needs and emergencies (sick leave, time off and the use of episodic flexibility).

Methodology

The data for this report come from several sources: review of company business information concerning flexibility policies and results, a quantitative survey, and qualitative focus groups and interviews. The survey was conducted primarily online with more than 200 managers and approximately 1,300 lower wage, nonexempt and hourly workers who utilize flexibility. A small comparison sample was included of about 130 employees who perform comparable jobs in the same companies but do not use flexibility.[6] Printed surveys were used in one organization in which employees did not have access to computers or the Internet at the workplace. (See "About the Corporate Voices Survey on Flexibility for Hourly and Nonexempt Workers" later in the report for a detailed description.)

Twenty-five focus groups (21 groups with employees and four groups with managers) and 25 interviews were conducted with middle- and senior-level human resources (HR) and line managers; in one organization, six individual interviews were conducted with first-level managers in place of a focus group. Most of the interviews and focus groups were conducted in person; three groups with teleworking employees and four interviews with managers were conducted via telephone conference call.

Business Drivers of Flexibility

Flexibility has often been positioned as simply an accommodation to employees, but the data summarized in this report demonstrate that employers can gain tremendous benefit from providing flexibility in when and how work gets done. Flexibility as it has been implemented in these companies is used as a management tool to address a variety of business needs: to effectively manage human resources (recruit, develop, retain talent), control costs and increase productivity.

In child care, where there is a shortage of qualified early childhood teachers, flexible work options is a talent strategy to recruit and retain individuals who are committed to their profession and to tap a wider labor pool than might be possible with more limited choice of work schedule.

Companies have found that offering flexible schedules and innovative time-off policies contributes to being an employer of choice for younger workers in their competitive labor markets.

For positions in customer service and sales with typically high turnover, flexibility is a way to keep high performing employees in both the short term and the long term. These companies use flexibility to respond to the changing needs of their workers over the life course (going back to school, raising a family) or to retain mature workers.

Flexible work options are being used in businesses with continuous operations that need weekend coverage or whose business hours extend beyond a 9-to-5, eight-hour day. This includes voluntary part-time positions as well as flextime and compressed work schedules.

Flexible schedules are an effective means of managing personnel costs, in particular overtime costs, which is a win-win for employees and the business. Flexibility is cost and resource neutral when planned for and personnel and productivity costs of unscheduled absences are avoided. By building flexibility into the staffing models, some of the companies reduce overtime costs and offer more control and

choice to employees over their working hours. In addition, some of the companies have documented productivity gains and cycle time reductions as a result of implementing flexible work options.

These innovations in flexibility are providing nonexempt and hourly workers with the access to flexibility that has become more commonplace for professional-level workers — not only the formal arrangements but the occasional, "just-in-time" flexibility that may be the difference between keeping or losing one's job.

Flexibility Best Practices

The following examples illustrate how several flexibility options have been successfully implemented in a variety of hourly and nonexempt jobs.

Flextime in production, operations and other settings in which coverage is essential
Most people assume that flextime will not work in a production environment, but we found that production teams in several companies do have flextime schedules — either formal arrangements or occasional flextime managed at the team level.

In a consumer goods manufacturing plant, employees arrange, with the approval of their work teams, to either work up to two hours at the end of the previous shift or at the beginning of the following shift. Members of one's own shift cover their work on that day. This type of flexibility is used frequently to enable shift workers to participate in their children's extracurricular and sports activities or to attend a regular weekly appointment or class.

In bank operations in which the usual workday is 8:00 a.m. to 4:30 p.m., teams have flextime schedules that start as early as 6 a.m. and end as late as 5:30 p.m.; staff choose start times in 15-minute or half-hour intervals up to 8:30. Teams typically have daily service level targets that must be met and everyone on the team, regardless of work schedule, contributes toward meeting the goal. In these environments, the flexible schedules build teamwork and greater ownership of results. Both employees and managers also reported that staff can be more productive during early morning and late afternoon hours when the volume of customer interactions is lower, allowing employees to complete tasks that are more time consuming or require research or more focused attention.

In child care centers with 11- and 12-hour operations, flextime meets several business needs. It is a way to have staff with appropriate certification levels on site all day so that the center is in compliance with state regulations concerning staff-to-child ratios and training. It is responsive to the peaks and valleys of business by matching staffing levels to the fluctuation in customer demand. It enables the directors to recruit high quality staff committed to the early childhood field as their profession by offering full-time teaching positions to students enrolled in college or graduate school courses.

Flexible "flexibility policies" and "just-in-time" time off reduces absenteeism and overtime and increases retention
Companies offer several innovative examples of "just-in-time" time off. Successful "just-in-time" time-off practices are a function of progressive personnel policies, supportive manager attitudes, accurate knowledge of peaks and valleys in work demands, and efficient scheduling tools.

Company flexibility and time-off policies as they pertain to nonexempt and hourly workers are fundamental to determining whether employees are able to manage the day-to-day life situations that arise without incurring penalties in performance or compensation. Employers in this project have put in place policies and benefits that provide nonexempt and hourly workers access to flexibility, both formal arrangements and "just-in-time" flexibility. This type of occasional flexibility is greatly valued by employees and has become more common among professional-level workers but is still uncommon for nonexempt and hourly positions in which attendance policies are rigorously enforced. Participating companies either have policies that enable employees to take vacation time, personal time and sick time in hourly increments rather than whole days or the individual managers allow employees to take time off in small units. "Just-in-time" time off also refers to the ability to take single vacation days on short notice in systems in which vacation is often scheduled in weekly increments several months in advance.

The ability to use some personal time — either vacation time or sick time — in small increments enables employees to take care of personal or family matters as they arise even if the bulk of vacation time must be scheduled long in advance and taken in larger units. This reduces "call-offs" and avoids short staffing and overtime (a benefit to both co-workers and the company) since the employee can take off an hour or two instead of being out for an entire day. Being able to make up a couple of missed hours at another time within the pay period also has a tremendous impact on workers who are counting on every hour of pay. As with using time off in small increments, the ability to make up time is also less disruptive to staffing since employees are not forced to call in sick or take an entire or half shift off because they need to go to an appointment or be an hour late.

A necessary element of being able to allow employees time off on short notice is building the capacity for time off into the staffing model. While managers might assume this would mean scheduling excess staff, that is not necessarily the case. Managers reported that "just-in-time" flexibility actually enables them to manage their existing staffing resources better because, they have found, allowing small amounts of flexibility reduces the overall number of "call-offs" or "call-outs" (unscheduled absences) which otherwise result in overtime costs, stress and efficiency/effectiveness problems.

One company annually issues a certain number of time-off "coupons" to call center employees with ongoing performance incentives to earn more. Employees log on to the call center's scheduling system to determine if there are available slots in the schedule to use a time-off coupon for a given day. In cases in which employees are home with a sick child or have another type of personal emergency, they can call the manager on duty to check for available time-off slots. Time-off policies and offering employees a mechanism to have more control over their schedules has enabled the company to engage and retain young workers in an industry and labor market in which turnover is typically high.

In a continuous production environment, one team incorporates enough resources into the staffing plan so that every day, two team members can get the day off. All team members' names are listed on the schedule and as an employee's name reaches the top of the list, he/she has the choice of either taking the day off without pay or working the extra day. Some employees prefer the time off, while others prefer the extra pay; the benefit of the system is giving the employees choice and control over time off.

Telework for administrative assistants and customer service representatives
Telework for nonexempt and hourly workers may be the fastest growing flexibility practice as pressure to reduce operating costs provides incentives for businesses to decrease office space at the same time that technology advances make working at home more feasible. A sign of this shift toward telework as a

business strategy is that new employees are being recruited for telework positions in addition to the more common practice of transitioning office workers to telework arrangements.

Typically the administrative assistant position has had very little flexibility because being present at one's desk at all times of the day to answer the phone and provide support for managers has been the key requirement of the job. Although the technology is available to perform key job responsibilities of the administrative assistant position effectively from a distance, manager attitudes have been the biggest barrier to telework and other flexible scheduling options for support personnel. In one participating company, a very results-based organization in which many of the managers are quite mobile themselves, administrative assistants are able to telework very effectively one or more days per week. Administrative employees who are part of a team determine a coverage schedule among themselves so at least one support person is at the office each day. Employees proactively communicate their schedules and contact information and utilize e-mail, instant messaging and call forwarding to maintain satisfactory levels of accessibility and responsiveness for managers and customers.

There has been an increase in the number of companies that are implementing home agent programs, which is echoed in the expansion in the number of teleworking customer service representatives among the companies in the study. While some companies are transitioning employees who formerly worked on site to work at home, others in our study are using telework as a comprehensive talent strategy that includes recruiting, training and managing remotely. Telework has enabled these employers to staff hard to fill hours with highly motivated, high performing individuals by tapping new segments of the talent pool and rehiring alumni whose life circumstances have changed. These target employees include employees in rural areas, mothers of young children, students and individuals with other scheduling requirements who would not be available otherwise for either standard weekday hours, evening hours or weekend hours at the company office location. Telework also helps companies to retain valued employees with significant family commitments; some telework for a couple of days each week and come in to the office other days, and some move into a part-time telework position for a period of time. Without telework options, managers and employees report, the employees in question would probably have quit their jobs altogether. Equipping employees to telework has provided companies with increased capacity to handle unexpected situations — everything from inclement weather to an unexpectedly high volume of calls. Having employees set up to telework allows managers to rapidly deploy staff to changing work priorities.

Team-based compressed workweek schedules
Although compressed workweeks are common in some occupations and industries, we found more types of jobs in which compressed work schedules were successful and more positive outcomes than previous research had indicated. For example, a child care center director viewed the compressed workweek schedule as a strategy to provide more staff continuity and consistency and reduce the amount of unscheduled absences. Although teachers were not in the classroom one out of five days each week, by working four longer days, teachers were able to cover the entire 10 hours of operation on the days they were working. This means fewer part-time employees filling in at the beginning and end of the day and more overall consistency in staffing. After an initial adjustment period, parents (customers) indicated they were satisfied with being able to see the same teacher in the classroom at the beginning and end of the day. The compressed schedules produce the intended results — more productivity and less unscheduled absenteeism as staff are able to take care of personal needs on their weekday day off. Reduction in employee work-related expenses such as transportation and child care costs are additional benefits for the employees with compressed workweeks.

Full-time benefits at 30 hours

Some of the employers offer full-time benefits at 30 hours as a way to attract and retain high quality staff who may be students, have second jobs or have significant family responsibilities, making it difficult to work 40 hours per week. It also enables these companies to staff harder to fill late day or weekend shifts. This is a total rewards differentiator in their industries and an effective talent strategy.

Career flexibility — flexibility over the life cycle

We found that employers have implemented career flexibility — an emerging talent strategy that is being utilized in the competition for key talent — as a way of attracting and, more importantly, retaining nonexempt and hourly employees who are committed to their industries. In hospitality and child care, workers join the company at an entry level and, through flexibility and other supports (such as company-sponsored continuing education or tuition reimbursement), are able to develop skills and experience and move up through the organization. In our study, several managers and department heads began in lower-paid positions themselves. It is not uncommon for workers to join these companies early in their work careers, even as part-time workers in high school or college; continue to work part time through school; become full time when they graduate; and then change their hours or move to a different role for a period of time when they start a family. Several participants in the study had moved from team lead or management positions to other positions in order to work part time, telework or have more control over their hours at certain points in their personal or family lives. Some older workers had joined the company recently expressly looking for flexible working situations, while others were long-term employees who desired more flexibility in their work schedules for personal or family reasons — to care for a family member or to have more leisure time.

Employee-designed schedules for continuous operations

In some companies, scheduling by employee preference is replacing the traditional bidding system, thereby giving employees more control over their schedules. When one company went to a continuous operation (24 hours x 7 days all year), management approached the two teams involved in the operation and challenged them to develop the work schedules. The two teams came up with quite different solutions that have been in place for several years. And in both cases, they moved away from seniority-based scheduling. One team developed an annual schedule that indicates all an employee's workdays and days off far in advance. Employees then submit their vacation requests, which get added to the master schedule. Employees still have the opportunity to swap shifts or use flextime as needs for flexibility come up on short notice. The other production team adopted a "just-in-time" time-off system in which every day, two team members can get the day off.

Employee-managed shift trades

At companies in the study, for the most part employees are arranging shift trades and informing their managers rather than managers being in the middle of the process. This has several positive effects — it empowers employees to solve problems; increases teamwork, reciprocity and ownership of the solution; reduces management time; and speeds decision-making. On a smaller scale, but used more frequently, employees cover hours for each other in situations in which they need time off on short notice. Companies use various systems for documenting shift trades and occasional adjustments to work hours, as well as mechanisms for informing customers and co-workers; these include schedules posted in prominent locations, online staff calendars and more sophisticated computer-based staffing systems.

Key Survey Findings

The survey results demonstrate that lower wage workers utilize a wide array of flexibility options and that flexibility use has powerful benefits for enhancing the well-being and productivity of lower wage workers, as well as the effectiveness of the organizations that employ them.

- **Use of formal flextime and certain occasional flexibility/time-off strategies is prevalent.** Half or more of respondents occasionally adjust their work hours for personal/family matters or use vacation time in hourly or partial day increments, and four in 10 use formal flextime. Taking paid time off on short notice, trading shifts with co-workers, taking time off during the workday to take care of personal/family matters and taking additional time off without pay are used by at least one-third of survey respondents.

- **Some occasional flexibility and time-off options are easier to access than others.** The majority of employees have relatively little difficulty accessing vacation time in partial day increments, occasionally adjusting work hours or trading shifts with co-workers. But taking breaks when you want to, taking time off during the workday and taking additional time off without pay are more difficult to access.

- **Employees utilize multiple formal and occasional flexibility and time-off options to meet business and personal needs.** In examining the wide and varied options, we discovered that employees utilize a mosaic of different flexibility options to meet their work and personal needs. On average, respondents use about four types of flexibility or time-off strategies.

- **Women are more likely to use various flexibility options than men.** Women are more likely than men to be using both formal and occasional flexibility including flextime, compressed workweek, teleworking, occasional adjustment of start and end times, shift trades with co-workers, and time off during the workday for personal/family matters.

- **Younger workers are more likely to use occasional flexibility, while older workers use formal arrangements more often.** The youngest respondents are less likely to make use of flextime, compressed workweeks or teleworking. They are more likely, however, to make use of occasional flexibility such as trading shifts with co-workers.

- **Employees with children are more likely to use flexibility than other employees,** especially employees with very young or school-age children.

- **Managers are the main conduit for information about flexibility options,** especially for employees who have formal flexible work arrangements. As such, it is important to note that about two-thirds of managers have the information needed to assist employees with flexibility. Co-workers who use flexibility themselves are the next most common resource on flexibility options.

- **The types and number of flexibility options used have an impact on employee satisfaction and flexibility "fit."** The use of several types of formal flexibility, occasionally adjusting one's work hours as well as the number of flexibility options used all influence flexibility "fit" and satisfaction.[7] The highest satisfaction and flexibility "fit" is among employees who use compressed workweeks. The ease of use of flexibility options and the support for flexibility from various company constituents are also related to flexibility "fit" and satisfaction with a company's flexibility opportunities.

- **Managers and employees agree that flexibility has positive impacts for the business and for the employee.** There is strong agreement among flexibility users and their managers concerning the positive influence of flexibility on productivity, customer service, employee work-life effectiveness, stress and well-being.

- **Having flexibility "fit" is strongly related to employees' connection to their employer and their well-being.** Employees who have the flexibility they need have 55 percent higher engagement, 55 percent less stress, and 45 percent lower turnover intention than employees who do not.
- **The use of formal flexibility arrangements, the number of flexibility arrangements, and the ease of access to occasional and time-off strategies all predict higher engagement, lower turnover and less stress.**
- **More than 80 percent of managers and employees say flexibility is important to recruitment and retention,** and almost a quarter of employees using flexibility would leave the company if they did not have the opportunity to work flexibly.
- **Managers and employees, regardless of their experience with flexibility, concur that the nature of nonexempt and hourly jobs as well as the current level of workload are the main barriers to accessing flexibility.** In addition, employees cite company policies and supervisors' attitudes, and managers cite coverage needs as key obstacles to the use of flexibility.
- **Nine out of 10 respondents who do not currently use flexibility would do so** if it were offered without penalty. Lack of access to flexibility options in their current positions is the primary reason that more employees do not use flexibility.
- **One in five respondents is regularly expected to work overtime with little or no advance notice.** One-fifth of employees say their managers, without asking first, assume they are available for overtime as frequently as several times a month and report that refusing to work extra hours would jeopardize job advancement or retention.

Success Factors

Successful implementation of flexibility in lower wage hourly and nonexempt environments includes better use of technology, staffing according to demand, cross training, management practices that encourage employee involvement and team-based solutions, consistent use of clear policies, leadership and accountability for support of flexibility, and intentional communication.

Build flexibility use into staffing models to maintain productivity and avoid costs of unscheduled absences

A cornerstone of creating successful flexible schedules is thorough knowledge of the workflow and peaks and valleys in demand, coupled with sufficient staffing resources to design alternative schedules. Apparent limits on staffing resources may indicate that creating more flexibility would not be possible. Often, unscheduled absences and other time-off events actually mask the fact that the number of available staff is considerably less than the number of personnel resources in the staffing model. When managers understand the hidden costs they are already incurring from unscheduled absences due to lack of flexibility options and address the issues by building in sufficient staffing resources, proactively managing scheduling and enabling some schedule flexibility, they find they can maintain or reduce overall labor costs by avoiding overtime and unplanned staffing issues. Employees who are cross trained and are designated as "floaters," as well as retirees and subs are built into the staffing models to fill slots and provide coverage for peak times or for employees who have requested time off. Historical information about staffing needs as well as online scheduling systems are valuable tools for managers to predict staffing needs and design flexible schedules.

Engage employees in developing team-based flexibility solutions that meet business and personal needs

Starting with a solid understanding of the business parameters, asking employees what they want, listening to their ideas and being open to creative new ways of scheduling are key to designing the range of flexible work options that will work for employees and the business. While it may require more time initially, involving employees in developing the potential flexible work options and getting team consensus and support builds commitment to meeting business goals and ownership of the flexibility solutions. This process of thinking "outside the box" is often essential to developing innovative solutions that will meet business as well as employee needs. Pilots of potential flexibility solutions that are evaluated after a specified period of time and then revised if they are not meeting the intended purpose have had positive results that then are expanded to include more employees over a longer time period.

Empowering employees and trust

Successful flexibility requires selecting and hiring responsible people, clearly communicating expectations, providing the necessary information and tools, and then empowering and trusting them to deliver the required results. In workgroups in which flexible work practices are commonplace, managers encourage and expect employees to resolve issues, develop solutions and use the managers more as resources and for final approval of scheduling changes. Employees are more likely to agree to cover for their colleagues knowing that their colleagues have and/or will cover for them in exchange. Employee empowerment from lessons learned about working flexibly generalize to other aspects of the work such that team members take on greater responsibility and accountability for overall team functioning and results.

Both managers and employees note the importance of mutual trust and respect in the success of flexible work arrangements, particularly when employees are teleworking. The manager must trust that the employees are working as they would be if they were in the office, even though the manager cannot see them. Agreements on expectations and objective measures of performance are important. In production environments, in which systems are already in place that provide managers with information about productivity and performance against goals, evidence suggests that employees who telework are actually more productive than employees who work at the office location.

Create accountability, provide information and support for managers to promote flexible work practices in their units

In companies in which success of flexible work options has been sustained, there is leadership and support from the organization. Senior managers connect flexibility to their corporate values and understand the relationship between flexibility and employee engagement; they support managers and hold them accountable for providing flexibility to their employees. The company invests in training and communication on implementation of flexible work arrangements for employees, managers and HR professionals; they provide opportunities for managers to discuss their experiences, problem solve and share stories of successful flexibility throughout the organization.

Develop clear policies, procedures and guidelines and utilize them to ensure consistent, fair treatment

Consistency stands out as one of the most important factors contributing to the success of flexible work practices. Clear flexibility policies, guidelines and a business-based flexible work arrangement request process provide the infrastructure and guidance for employees requesting flexible work arrangements and managers approving flexibility requests. This guidance is particularly important for managers faced with difficult decisions or competing requests, especially if the flexibility guidelines are clear about the business considerations that must be met for flexible work arrangements to be approved. Equity is

achieved through all employees having access to a fair and consistent flexibility process, but the flexibility decisions and approvals may vary depending on the nature of the work, coverage needs, job requirements, etc. In companies in which flexibility is being utilized effectively, managers enforce the policies to ensure fairness and equity while also being open to and supportive of flexibility as a business and management tool, and they approve requests whenever possible. Where existing company flexibility policies do not address the needs of nonexempt or hourly positions, HR is often a good resource for line managers, providing guidance in crafting appropriate flexible work option policies. In some cases, employee committees have proposed flexibility options and guidelines that were then approved by management.

Communication

Effective communication is even more important to high performance when workgroups utilize flexibility than when team members all work on the same schedule in the same location. Posting weekly and daily schedules online or in strategic locations, as well as updating in real time critical business information such as daily productivity targets and status on deadlines, ensures that all staff are informed about expectations and staff availability regardless of the hours or location of work. Making the staffing schedules readily available and communicating the coverage parameters also facilitates employee requests for any schedule changes or time off and empowers them to proactively find solutions, thus saving management time and enhancing employee ownership of the arrangements. Managers are proactive about connecting with employees to motivate them, keep them engaged and integrate new team members. Employees are expected to keep one another and the manager informed as well; team members use e-mail, logs, phone messages, instant messaging and other communication tools to convey updates on deadlines, resolve customer issues and exchange other work-related information. Clearly technology tools can support real-time access to colleagues and managers and access to key business information.

Cross training

Cross training and the ability to back up colleagues is often a prerequisite to implementing flexible work arrangements such as compressed workweeks and flexible start and end times that involve varied shifts. Teams collect the information on which employees are cross trained and can function as backups and use that information to determine work schedules and to quickly make adjustments when employees are out for any reason. Having multiple staff members knowledgeable on key processes ensures the workgroup will deliver the expected results regardless of individual work schedules.

Technology and tools

Constant improvements in technology enable more widespread use of flexible work practices in several ways. Online scheduling tools that build in coverage parameters and time-off guidelines give employees more control and flexibility in their schedules — to request a regular schedule, trade shifts, or schedule vacation or other time off — and assist managers to project staffing needs, approve requests, and track and monitor arrangements. This empowers employees to take more ownership of the arrangements as well as proactively find solutions to scheduling conflicts and reduces the overall time spent by managers on work schedules.

Call management systems and other management tools that provide information about staff availability, daily workload and progress against goals enable individual employees as well as the workgroup as a whole to anticipate demand, manage workflow, adjust staffing and avoid last minute crises.

Technology now enables effective telework with connectivity to communication and information systems and monitoring of performance comparable to on-site work. Virtual meetings using webinars, videoconferencing and teleconferencing support effective team meetings and training. In addition, e-mail and instant messaging keep managers and employees accessible to one another.

Even with the benefits of technology, managers are challenged to find creative ways to build strong relationships and keep employees and workgroups motivated given increased work demands and varied work arrangements. Some managers have devised innovative approaches for conducting performance reviews, giving recognition and on-boarding new team members.

Flexible careers
In industry sectors with competitive labor markets, recruiters, HR professionals and line managers conceptualize and market flexibility as a business tool to recruit, develop and retain high performing employees across the life cycle. Managers who interact with employees at key decision points in the employment cycle, who are familiar with the company's flexibility policies and willing to think creatively, can offer flexible work options as a strategy to help employees achieve their longer term career and personal goals as well as meet the business needs**.** Initiating conversations with employees about their career plans as part of the performance management process or at critical junctures and exploring the opportunities for flexibility have enabled businesses to retain valued employees whom they would have otherwise lost.

Challenges

Viewing flexibility as a business tool, not an entitlement
Managers express concern that once employees have a flexible work arrangement in place, they treat it as an entitlement and it will be difficult to make any changes. Managers may assume that if flexibility is implemented they will be expected to approve all requests for a flexible work arrangement, when in fact they should modify or deny those requests that will not meet business needs. For teleworkers this includes clear messages concerning creation of a professional business atmosphere in the home office, availability for work hours and child care arrangements. It is critical to set expectations at the outset that flexible work arrangements must meet business needs, will be reviewed on a periodic basis and may be renegotiated if business requirements change. Manager and employee training and the use of a request process can help position flexibility appropriately as a business tool.

Management support
The primary barrier to broader implementation of flexible work arrangements is variability in manager support at different levels within the organization. Managers' heavy workloads and competing priorities hamper their ability to introduce new work practices that would require any additional effort. Further, concerns about monitoring performance, achievement of productivity goals or service levels by employees working on different schedules and at different locations, and confidence in established operating practices inhibit their willingness to consider new ways of working. Those unfamiliar with managing flexible work options may not have the information or tools to manage arrangements effectively. Inconsistencies in management's support for flexible work practices across departments and where there has been turnover in management within the same unit cause employee dissatisfaction and turnover. Creating accountability for promoting flexible work practices, providing manager training and coaching, and publicizing the results of successful pilots can address these concerns.

Maintaining coverage

One of the main barriers to offering flexible scheduling is not building enough resources into the staffing model to achieve the level of coverage necessary to meet the business demands. Perennial understaffing can be a barrier to implementing flexibility. The desire to implement flexibility is an opportunity to examine how the work is currently being done: Is there an opportunity to redesign or eliminate low-value work and increase flexibility?

Often, unscheduled absences and other time-off issues are masking the fact that the number of available staff is considerably less than the number of paid personnel resources. When managers understand the hidden costs they are already incurring from unscheduled absences due to lack of flexibility options and address the issues by building in sufficient staffing resources, proactively managing scheduling and enabling some schedule flexibility, they find they can maintain or enhance productivity. They can also maintain or reduce overall labor costs from having the majority of work resources available at their regular wages, thereby avoiding overtime costs.

Providing consistency and continuity

Businesses must ensure that consistent quality and customer service are maintained regardless of employees' work schedules. It is critical that employees or managers with requisite qualifications and knowledge are available and that communication tools and technology are utilized so that employees and customers have ready access to information during all hours of operation. Involving the workgroup in designing the flexible work schedules, cross training employees on all key work processes, and implementing technology and communication tools for essential information can help ensure consistent service quality. Furthermore, the use of flexible schedules can help retain high performing employees whose knowledge and expertise have direct and long-term impact on productivity and customer satisfaction.

Addressing poor performance

Some managers, particularly those who have not managed individuals on flexible arrangements, worry about how performance is managed when employees are working different schedules or in different locations. Flexibility does not increase performance problems, but it does shine a light on the issue when poor performers are not being coached or managed effectively. When individuals are not performing up to expectations and are abusing flexibility arrangements, the morale of the entire workgroup can be affected. Poor performance should be addressed with the individual employee rather than jeopardizing the availability of flexibility for an entire workgroup. Performance should be managed according to the delivery of results using productivity reports and other management tools regardless of work schedules. A request for flexibility is an opportunity to establish goals and discuss performance expectations in a results-based framework.

Scheduling meetings and trainings when all can attend

Managers have the challenge of planning staff meetings and conducting trainings at times when all employees in the workgroup can attend. Managers may have to pay overtime if employees are asked to come in on their days off or attend meetings after regular business hours. While managers try to limit these situations, it is helpful to set expectations at the outset that there will be times when employees are asked to alter their work schedules or to come in to the central office for such events. Workgroups that have implemented telework extensively are also taking advantage of new meeting and training technologies that enable employees to participate including teleconference, videoconference, virtual meeting software and computer-aided instruction.

Tracking flexible schedules and time off

Some flexible schedules and time-off strategies, such as compressed workweeks, part-time schedules, and incremental use of vacation and sick time, require that time worked and time off be tracked in hours; however, company time tracking systems often use days. This may result in additional paperwork or use of a second tracking system by manager and employee to document what hours the employee has worked and what time off he/she is entitled to. Some companies have implemented human resources information systems that capture work time in hourly units, while in other companies, managers have created Excel spreadsheets and other database tools to track work hours, vacation and sick time.

Implications and Conclusions

In this study, we have examined flexibility from many different perspectives and in so doing, we can make some conclusions about successful implementation of flexibility. We find that it is not only formal flexible arrangements that produce these impressive results but progressive personnel policies and a work culture supportive of occasional flexibility that give workers access to a variety of time-off options and control over their work schedules. When companies provide employees with an array of flexibility and time-off options and an environment in which it is possible to access flexibility opportunities without barriers, employees develop their own strategies to use the options that best meet their individual needs and satisfy business requirements. The unique characteristics of employees, both at work and personally, suggest that there is no "one-size-fits-all" flexibility solution. An approach that encompasses a more comprehensive flexibility strategy is more likely to succeed. While specific types of flexibility and time-off strategies may lend themselves to better outcomes for employees and organizations than others, there is little doubt that a variety of options enables a better flexibility "fit" to suit the unique characteristics of employees. We find that the use of multiple options has an even greater influence on well-being, work-life effectiveness and business results.

Companies that have created successful flexibility options for their lower wage workers receive a high return on their investments because of the many positive impacts on employees and the business: better recruitment and retention of talent, increased engagement, lower levels of stress and burnout, greater productivity and effectiveness, better customer service, and finally more positive financial results.

CASE STUDIES

Case Study: Bright Horizons

Child care centers offer flexible schedules to attract and retain high-quality teachers and offer extended hours of care to meet the needs of children and parents.

Background

Bright Horizons, founded in 1986 and headquartered outside Boston, MA, manages more than 600 child care centers for many of the world's leading corporations, hospitals, universities and government agencies across the United States and internationally. Their centers provide a variety of flexible child care options for companies and working families, including worksite child care and emergency child care. Bright Horizons has more than 18,000 employees, the vast majority of whom are hourly workers. Bright Horizons offers salaries for early childhood teachers at or above market rate.

Bright Horizons offers a range of scheduling options in order to attract, retain and engage qualified child care providers. The child care center directors have to consider state regulations regarding the number and qualifications of teachers in each classroom, the effect of schedule changes on the children in care and their parents, and the needs and availability of their center's employees. Bright Horizons' centers vary — some are located at corporate worksites while others are independent; some are small while others have many classrooms; and each has unique qualities reflecting its director, teachers, parents and children.

Business Drivers

Each Bright Horizons center is like a small business, with as few as 10 or as many as 50 teachers. With state mandated staffing requirements and extended hours of services, one might expect limited use of flexibility. While not all Bright Horizons centers have implemented flexible scheduling practices, many center directors, with the support of regional managers, have recognized that teachers at different stages in their lives and careers need scheduling flexibility and, as a result, have developed creative staffing strategies. For all, recruitment and retention of quality employees is an incentive to offering flexibility in an effort to meet both business and employee needs. In some cases, candidates for positions indicated limits on their availability because of family obligations, school or a second job. In order to hire these candidates, directors had to be willing to consider "nontraditional" scheduling (i.e., something other than full time over five days each week). In other cases, teachers who had been working a "traditional" schedule determined that managing their work and personal responsibilities would be easier if they had alternatives.

In most cases, it is the employee who comes to the director with a request for a flexible schedule. Some directors, however, need to fill a particular schedule gap and therefore hire with a nontraditional schedule in mind. Because many of the centers are open for 10 or 12 hours every day, some creativity and flexibility are necessary to cover the hours while meeting best practice teacher-to-child ratios, which are often above the state-mandated teacher-to-child ratios. Certain times of the day require more

coverage than others, and breaks also need to be factored in. Directors find that in most cases the flexibility they give their teachers is reciprocated when they need coverage for employees who are out.

> "When flexibility works well in an employee's life, it makes for a better employee."
> — *Teacher*

> "I think [the reason we introduced flexible schedules] was a combination of necessity and a feeling of support for the employees." — *Regional Manager*

History

Each center has a somewhat different history in terms of introducing flexible work arrangements for teachers. Because of the nature of the industry and the demands of caring for children, flexible schedules as well as some day-to-day flexibility are important tools to attract and retain qualified teachers and ensure that appropriate coverage is available in all of the classrooms.

In some cases, a new director proposed the idea of flexible schedules to "change things up." At other centers, directors and/or teachers heard about successful implementation of flexible schedules at other centers and were open to trying it themselves. Some centers began flexible scheduling because of the needs of one or more current or prospective teachers who needed particular times of the day off because of obligations outside of work.

One center that implemented compressed workweeks to increase staffing consistency and to reduce absenteeism began the process by "mapping schedules" — looking at the children's schedules and having the teachers together figure out classroom coverage.

> "The teachers know that the four-day workweeks may not be necessary, but they want it to work so they buy into it." — *Director*

Program Description

Scheduling flexibility for center teachers includes part-time, compressed workweeks; working a customized schedule; swapping shifts; and varying start and end times. Flexible schedules allow for the required classroom coverage over an extended day while also meeting the needs of the teachers. Teachers also flex their schedules over the course of a year, in some instances working hours to mirror the public school year and taking school vacations and summers off or on a part-time schedule. Flexibility is also utilized by students, who are grateful to schedule work around their classes and increase their hours during school breaks.

Formal flexible work arrangements are incorporated into the weekly schedule; this includes part-time schedules, compressed workweeks, nontraditional hours, and varying start and end times. In addition, there is a significant amount of ad hoc flexibility — swapping shifts with peers, covering for colleagues who need to leave for an appointment, or filling in for colleagues who are out because of illness or vacation.

Schedules vary greatly; full time is defined as at least 30 hours per week, which allows for many schedule options. Part-time schedules are crucial for staff coverage of extended hours and work well for the labor pool that Bright Horizons attracts (i.e., students, mothers of young children, etc.). For a center that is open 7 a.m.–6 p.m., the early shift may be 7 a.m.–3 p.m. and the late shift 10 a.m.–6 p.m. There are many variations of this. One example is a teacher who works eight-hour days: the early shift on Mondays and Thursdays and alternate Fridays. Another example is a teacher who works 8 a.m.–6 p.m. every day except having Wednesdays off; a college student covers her classroom on Wednesdays. One teacher works 8 a.m.–6 p.m. Tuesday through Thursday, 7 a.m.–6 p.m. on Friday and has Mondays off because she has another job. Another teacher's schedule is Monday 10 a.m.–3 p.m. and Tuesday through Friday 10 a.m.–5 p.m. Some teachers have "split shifts" in which they leave mid-day and then come back to the center. In some cases, college students work 7 a.m.–10 a.m., before their classes or internships.

Bright Horizons centers utilize a variety of communication and planning tools in their scheduling. Posting weekly and daily schedules for all to see plays an important role in the smooth implementation of flexible schedules. All of the teachers have access to the information they need to find coverage, and the parents are able to see who's working. Parents appreciate knowing who specifically has been in their child's classroom and hearing from that person about their child's day. If the teacher is not working at pickup time, she will leave a note for the other teachers so they can be informed when parents ask questions. Classrooms also have communication notebooks to record important daily information about specific children.

> "In our classroom, if someone can't cover it, we'll cover a shift on our own. We'll plan with our own schedules." — *Teacher*

> "Teachers do swap shifts a lot. Usually they will swap with different schedules, for example a 7–4 for a 9–6. They write a note and put it on the master schedule for me to approve." — *Director*

> "The master schedule goes out each week — the schedules in yellow are set schedules so they can't change. The rest are flexible so I can move them around. The pink are those who flip scheduling on Fridays. I also do a daily schedule because people call out." — *Director*

The overall philosophy and policy of Bright Horizons supports flexibility. At the center level, some teachers are hired into their positions with a flexible schedule while others change their schedules as their circumstances change. Teachers apply for a flex schedule by notifying their supervisor of their request. There are other teachers who prefer a traditional schedule and do not participate in the formal flexible work arrangements although they access some ad hoc flexibility when they need hours covered or they cover hours for colleagues.

> "When hiring, I ask what their availability is to see how it will fit into our schedule. If I know I need someone to start at 3:30, working a part-time schedule, I may get a high school student who wants to work after school." — *Director*

In the corporate child care centers, it is often helpful to have staff working longer shifts because the corporation's employees are working longer shifts.

"[Corporation] does compressed workweeks and flexible work arrangements for their employees, so that affects what happens at our child care center." — *Director*

Impacts/Benefits

Improved recruitment and retention
The most significant benefit for the centers is the recruitment and retention of qualified teachers in a profession with a limited labor pool. Many centers have teachers with great longevity, which supports the center's attractiveness to parents and also reduces costs associated with hiring and training new employees. The resulting continuity in care providers also supports the expertise the center offers, as well as enhancing the center culture, building long-term relationships with families, collaborating with colleagues and advancing one's career at Bright Horizons. Parent satisfaction at centers is high, and teachers believe that this is due in part to the benefits of the flexibility the teachers have.

> "As a working parent, I wouldn't be able to teach if this center weren't as flexible as it is." — *Teacher*

> "Without flexibility, I wouldn't be able to work here. If they needed me to be here until 6, I couldn't because I'm a single parent and I need to pick up my child." — *Teacher*

> "Teachers will be more flexible with each other and work with each other and communicate with each other, if the company is flexible with us. It makes us want to work here and to stay here." — *Teacher*

> "Flexibility is a valuable tool when you have really, really good staff. Staffing child care centers is very hard. I don't want to lose my teachers because that affects the classroom and the dynamics, so I will do my best to retain them." — *Director*

Employees who are also undergraduate and graduate students
Flexibility allows students to work at the centers, scheduling their work hours around their class schedules. Many of the students are able to work more during the summer and during their breaks, which benefits the centers because some of the regular staff look to take vacation during these times. In addition, some of these students work at the centers full time after they graduate, coming with not only their early childhood education degree but also experience at the center and an established relationship with at least some of their colleagues and some of the families. Essentially, the center is helping to build the next generation of child care providers and center leaders by training students who have already indicated their commitment to educating young children. Bright Horizons has several directors who advanced their careers using flexibility in this way.

> "When I decided to go back to school, [the director] told me to figure out a schedule that will work for me, and we'll make it work for the center." — *Teacher*

> "I work full time but leave at noon on Tuesdays and Thursdays to go to my classes." — *Teacher*

Compressed workweeks

Teachers find compressed workweeks beneficial for a number of reasons. Teachers use their day off to attend to appointments, do errands and "regroup." The frequency of teachers calling out sick or needing time away from work for appointments is lessened as a result of their flexible scheduling. Some teachers who now work four days each week indicated that it would be stressful to go back to a five-day schedule because they would then have only Saturday and Sunday to get things done and many of the services they need are not open on weekends. Teachers with compressed workweeks also save money in commuting costs (i.e., parking and gas). Most of the teachers don't take their flexibility for granted and will do what they can for the center in return for the flexibility they have.

At one center in which all teachers use compressed workweeks, there is more continuity on a daily basis — the children are with the same teachers for most or all of each day. The center's size and hours of operation make it possible for all of the teachers to work compressed workweeks.

> "They gave me the flexibility, so I think it's my responsibility to work my needs around that schedule." — *Teacher*

> "I like my schedule because I have children at home … I can schedule all their appointments on Wednesdays." — *Teacher*

> "The teachers [using compressed workweeks] are less stressed. They can work here and still go to school or get a second job or be available to get some overtime." — *Director*

> "It's still exhausting working four days, but the teachers tend to be more refreshed than when they're working five days." — *Director*

> "It's nice to have a day off in the middle of the week … it helps you break up the week." — *Teacher*

Success Factors

Empowering employees

Directors find that empowering employees to figure out how to flex their own schedules while maintaining necessary coverage of classrooms benefits everyone. Teachers are more likely to agree to cover for their colleagues, knowing that their colleagues have and/or will cover for them in exchange. Many times, shifts are swapped between teachers, and the director is informed after the arrangements have been figured out — making the director's job easier but still giving her the opportunity to approve or deny the requested switch. If someone needs coverage for certain hours, there's almost always another teacher who wants the extra hours. Depending on ratio requirements and overtime costs, a request may or may not be approved. Often it's a simple switch with a co-worker who has the same qualifications or classroom experience, so that a teacher can go to an appointment or a school meeting occurring at a time she is scheduled to work.

> "If they need me to switch, I'm flexible because they're flexible with me." — *Teacher*

"If I need to change my schedule, I ask my co-teachers and we work it out. If I ask [the director], she'll tell me to ask my co-workers." — *Teacher*

"Many of us are certified for various age groups so we can cover for another teacher." — *Teacher*

"I don't have all day to micromanage the teachers' schedules. My rule is: Figure it out and as long as I know about it and it jives with the center, it's fine." — *Director*

Thinking creatively with support from regional managers
Thinking creatively and "out of the box" is critical to successful scheduling flexibility. Directors of Bright Horizons centers have the support of their regional managers regarding scheduling, and flexibility is consistent with the corporation's values and efforts to show their appreciation for all employees. Requests for different schedules should be considered, although the director does have the option of saying no if a request is not good for the center. Clearly the teacher-to-child ratios mandated by the state drive the scheduling needs. The centers being open longer than eight hours each day also necessitates a creative and innovative approach to scheduling. One center keeps a list of subs they can call if they're having trouble covering a shift — usually past employees who have left to go back to school. Other nearby centers in the Bright Horizons system are also a source of backup staff.

"If the director considers the staff's requests and the coverage that's needed, they can figure out how to be flexible, as long as they're creative and open-minded." — *Teacher*

"It would be easier to set a schedule. I'm giving up a lot of my time each day to make this work, but I know it's worth it. Flexible schedules help you when people call out." — *Director*

"You have to see the bigger picture to make it work." — *Director*

"It's like fitting a puzzle together, plugging in the teachers as needed." — *Director*

"It's a numbers game, to maintain the ratio required by regulations. We can call other Bright Horizons centers in the area if we need to [to get substitutes]." — *Director*

"I'm constantly hearing from my regional manager that we need happy employees to have happy kids. We need to appreciate our employees … pretty typical of the company." — *Director*

Providing consistency for children
Young children need consistency of caregivers, and parents prefer to see familiar faces each day when they drop off and pick up their children at the center. Some directors periodically send letters to the parents with all of the teachers' names and schedules so they know who's scheduled to be at the center at any given time. If coverage is needed, the director tries to arrange for someone who has worked in that classroom before — someone the kids and the parents are familiar with.

"We have our set schedule, so the families and the kids know the routine … they know, unless there's a note, they're going to see me each morning." — *Teacher*

"Having a consistent teacher is emotionally better for certain ages, especially for drop offs in the mornings." — *Teacher*

"Centers shouldn't be so flexible that the children don't have a consistent caregiver." — *Teacher*

"The teachers who work longer days are providing a huge benefit to me and the families, because they are here at drop off and pick up." — *Director*

Communicating

Communication is essential — among teachers and also between the center and the parents. Weekly and daily schedules are posted at each center for all to see, and if a teacher's schedule is changing or a teacher is out for the day, that information is posted as well. Teachers' notes and a log are also kept in each classroom so a teacher returning to the center after a day off can read about what happened in her absence. The teachers are very proactive and go above and beyond what is required of them; in many situations in which a teacher is out one day a week, she'll check in by phone with a colleague the night before she returns so that she is up to speed with what happened before she walks back into the center. The teachers' commitment to the kids and to each other is indicative of the caring profession they are in.

"I have Mondays off and [my co-teacher and I] talk every Monday night … I get the rundown of what happened on Monday so I know what to expect on Tuesday." — *Teacher*

"I need to make sure that everything gets communicated. Since the teachers are out on different days, I use e-mail a lot." — *Director*

Using "floaters" as part of a staffing model

Having extra people on the schedule allows for more flexibility in scheduling. Many centers have floaters on staff — part-time or full-time staff members who can go into any room at any time as backup staff to cover breaks and planning time and fill in as needed. These floaters are then familiar with what happens in all of the classrooms, and the children recognize them so the floaters can easily cover for teachers who are out. Floaters are therefore cross trained and can be an integral part of a staffing plan to meet the demands of providing care over an extended day with strict teacher-to-child ratios.

"Cross training gives us lots of flexibility. Parents will know the teacher already, so they're not alarmed if the usual teacher is not there." — *Director*

Team-based flexible schedule solutions

For flexible scheduling to succeed, it's important to have a group of teachers who work well together and respect one another. Consensus and support from the team to try different ways of scheduling is important. The teachers often credit their director for creating schedules that work for the individuals and the center and for supporting the teachers in their efforts to design a schedule that they're happy with. Teachers are empowered to come up with solutions to scheduling issues and then present the solution to the center directors for approval, rather than presenting the issue to the director and expecting her to come up with a solution.

"We need to work well in the rooms, trust each other and communicate in order to take care of the children." — *Teacher*

"We have weekly team meetings and monthly team meetings where we can work [scheduling issues] out." — *Teacher*

"We organize the schedule as a group so the teachers can hear each other's reasoning." — *Director*

"We go by seniority when deciding who gets which day off. When there's a new hire, current staff have the option to switch their day off." — *Director*

Challenges/Barriers

Recognizing flexibility is not always feasible
Although Bright Horizons encourages the use of flexible scheduling, there are times when, due to the size of the staff at a center or the schedules of other teachers, a request for flexibility has to be denied. This can be challenging because staff see others working individualized schedules and may resent that their request could not be approved. Centers that are unable to hire extra staff because of financial constraints may be less able to offer flexible schedules and may be more challenged when teachers request alternative schedules or need time off. In most cases, directors try to avoid paying overtime due to the negative impact to the overall financial well-being of the center, so they must watch the teachers' schedules to be sure they are not working too many hours. If a request for a flexible work arrangement is denied, the director is expected to give a business reason for the denial.

"It's about fairness, not necessarily always what you want to do. Just because you're flexible doesn't mean that you're always going to get what you want." — *Teacher*

"I'd like to do the four-day workweek, but the only way that would happen is if we have another assistant in the classroom. I used to do a compressed workweek, and I loved it." — *Teacher*

"Swapping shifts is not an option if the teacher will then be working less than 30 hours. Then it's not a choice — they have to take vacation time." — *Director*

"Because I'm following a consistent kind of approach [to approving or denying requests], I feel safer." — *Regional Manager*

Addressing performance issues
Teachers and directors agree that performance issues are independent of flexible schedules but must be addressed when they occur. In cases in which an employee's performance is slipping and she is using a flexible work arrangement, the director needs to meet with the employee to discuss the situation and adjust the teacher's schedule to one that will better support her performance while also meeting her scheduling needs and the needs of the center. Compressed workweeks are good fits for some teachers but not for all teachers; some find that working four 10-hour days is too exhausting and leads to

burnout. It's not a "one-size-fits-all" situation as not everyone can work the same schedules — teachers and directors partner to figure out a schedule that works for both the teacher and the center.

> "Be realistic about what hours you can work. When I was doing 7:30–3:30, it didn't work out, but I kept trying to make it work. You have to be able to assess what you can do."
> — *Teacher*

> "A teacher may really enjoy the compressed workweek, but if they're not able to get to work on time or if they're not able to demonstrate a full level of energy, their schedule will have to be changed back." — *Regional Manager*

All-staff meetings

Directors also have the challenge of planning staff meetings since there may not be a time when all of the teachers are working. Teachers sometimes have to come in on their day off, but directors try to limit these occurrences.

Maintaining staffing consistency and continuity

As a consequence of flexible schedules, parents may find that different teachers are in their child's classroom on different days. Some parents complain about this, although the reality of 10- to 12-hour extended center care implies that the same staff are not able to both open and close the center each day. Centers try to minimize the variation, but the longer workdays and the teachers' scheduling flexibility does mean that parents will see different teachers on different days of the week. Directors have found it is helpful to assure the parents that the other teachers are just as qualified as the teacher they are accustomed to seeing. Sharing the schedule and information about the teachers' qualifications, as well as managing the parents' expectations, is helpful, as is preparing the children at the end of one day with mention of who they will be seeing the next morning when they come back in. A positive consequence of scheduling flexibility is improved teacher retention, which in turn provides more long-term continuity for the children.

> "Parents want consistency. They don't want to see different people every day. Kids and parents feel comfortable with people they know; they don't want to see a stranger."
> — *Teacher*

> "We try to tell parents about any changes in schedules or upcoming vacations in advance, or as soon as we can." — *Teacher*

> "You have to look at continuity for the kids. We're not going to throw in a new teacher that the kids don't know." — *Director*

Implications/Considerations for Other Employers

The directors and the teachers agree on the importance of all involved being willing to think creatively and try scheduling that is different from what they are accustomed to. Directors must be able to listen to the needs of the teachers, and the teachers must be willing to give back, not merely ask for scheduling flexibility. Posting everyone's schedules is helpful so that teachers can look at who might be available to switch with or provide coverage.

For child care providers, it is important to consider the consequences of changing schedules for the children and the parents, who may be apprehensive with less consistency in the teachers they see every day.

The experience of the Bright Horizons centers is that not everyone wants a flexible schedule or compressed workweek. While some directors may fear that they will be inundated with requests, this is usually not the case.

> "It's easier to implement than you think." — *Regional Manager*

Flexibility is beneficial to all constituencies: Teachers appreciate the ability to better manage their commitments outside of work, directors are better able to attract and retain qualified employees, children and parents benefit from having teachers who are less stressed and more likely to stay, and Bright Horizons in turn benefits from the success of the center. While some may be hesitant to try flexible scheduling at a child care center, the overall experience of teachers and directors at Bright Horizons has been positive as they have seen the benefits of successful implementation. With the support of the regional manager, the center director and the staff, flexible scheduling is a win-win situation.

Case Study: Consumer Goods Manufacturer

A consumer goods production plant offers a range of scheduling options developed and managed at the team level to meet productivity goals and manage costs while also giving employees more control over their work schedules.

Background

A large plant of a U.S.-based consumer goods marketing and manufacturing company is known within the company for creativity and continuous improvement. Innovative programs initiated at the plant are often disseminated to other locations. The facility offers a range of scheduling options developed and managed at the team level that are utilized to motivate employees, meet plant productivity goals and control costs.

Business Drivers

The business drivers for flexibility have come from the company's corporate values as well as business needs to boost productivity and control costs. The company values work-life balance for employees and acknowledges that production schedules, which include weekend work and 12-hour shifts, do create work-life challenges for employees. The company looks for ways to help employees manage their personal and family needs and boost morale. Flexible work practices are consistent with company values and very much part of their overall employee value proposition.

Several years ago, the need to go to continuous operation prompted the design of new schedules. Consistent with the plant's continuous improvement philosophy, teams were given the task of developing the work schedules. Each team built in certain types of time off as a feature of the continuous operation; these have been in practice ever since.

Control of labor costs is another driver of flexible scheduling. The need to limit overtime expenses motivated the development of a pool of cross trained employees who fill in for staff on vacation. The cost of carrying an additional team member who is cross trained can be offset by the savings from avoiding overtime costs to cover others' vacations.

History

The plant has developed many flexible work practices. Consistent with its continuous improvement philosophy, plant management encourages employee involvement in developing high performance work practices and problem solving. Many of the flexibility options currently available have been employee initiated. In some cases, an individual employee has a need or a suggestion for a flexible work solution and brings a proposed idea for flexibility to the manager or the employee committee that is responsible for guidelines. The idea is often piloted and, if successful, rolled out more broadly in the plant. Other flexibility policies, such as occasional flextime, were incorporated into the work processes for new products by high performance work teams. Once piloted, these policies have been rolled out to

other teams throughout the entire department. Other flexibility practices, such as cross training of relief pool workers, were developed by a team leader as an approach to control overtime costs.

> "Someone from the outside had that as an option previously at their work. We threw that idea out there to the management team, and they said we could try it and if it's a challenge, it would be revisited. It worked out well enough to keep it and spread it to everyone." — *Manager*

Program Description

Occasional flextime
Employees arrange, with the approval of their work teams, to work up to two hours at the end of the previous shift or at the beginning of the following shift. Members of one's own shift cover their work on that day. Employees must give 24 hours notice. This type of flexibility is used frequently to enable shift workers to participate in their children's extracurricular and sports activities or to attend a regular weekly appointment or class. Although the flextime policy is not a permanent change of schedule, there is no limit on how many times per year an employee can use flextime.

Shift trades
The shift trade (also known as shift swap) policy enables employees within the same department to trade one to four days per week or to trade up to six weeks once in a calendar year. It gives individuals a mechanism to change their work schedule to take care of personal or family needs. Employees must find trade partners who have similar qualifications and classifications; also, the trading partner assumes the pay and seniority status of the other partner for that time period. Over time, employees find shift trade partners for whom it is mutually beneficial. Shift swapping is more common among second and third shift workers.

Relief pool
A pool of employees cross trained on all jobs within a team is built into the staffing model to cover vacation and other time-off events. While the relief pool adds staffing resources, it actually saves on the overtime costs that would have been paid to cover staffing shortages created by vacation days. (The first year the return was 130–135 percent). Given the complexity of work processes and the estimates of time-off coverage needs, one relief person per team per shift is planned into the budget. The jobs are challenging because the relief pool workers do different jobs on a regular basis, sometimes moving among three different roles in a single day to cover multiple two-hour flextime situations. They frequently get retrained to keep their skills and knowledge up to date as the technology and work processes change.

Vacation in half-day increments
The half-day vacation is a plantwide initiative introduced in the 1990s and is used frequently for family events, medical appointments and other personal needs. Employees can use up to eight half-days per year and must give 24 hours notice. The different shifts tend to use the front half or later half depending on the shift. For example, if second shift employees have to travel to attend a child's away sports game, they can use a half vacation day and then be back at work for the second half of their shift.

Unpaid time off

In several of the continuous run departments, the teams have developed staffing models that build in up to two extra people per shift. Depending on the workload, vacations, sick time, etc., there is the opportunity for two people to take a day off without pay. Teams have different systems for deciding how and when team members get to choose whether they want to work extra hours that week or would prefer to have the time off; some teams simply rotate the team member names and when your name reaches the top of the list, it is your choice. Other teams take into account how many hours an individual has already worked so that people with fewer hours get a chance to earn overtime. Weekend hours are rotated so that no one, regardless of seniority, will be forced to work every weekend. Employees sign up at the end of their shift to request the time-off slot for the following day. It is possible that staffing needs will be light the following day and more than two slots will be available.

Employee designed schedules for continuous operations

Several years ago, when the product division went to a continuous operation — 24 hours x 7 days all year — management approached the two teams involved in the operation and challenged them to develop the work schedules. The two teams came up with quite different solutions that have been in place for several years. In both cases, they moved away from seniority-based scheduling. One team developed an annual schedule that indicates all the employees' workdays and days off far in advance. Employees then submit their vacation requests, which get added to the master schedule. Employees still have the opportunity to swap shifts or use flextime as needed for flexibility to cover events that come up on short notice.

The other production team adopted a "just-in-time" time-off system. The team incorporates enough resources into the staffing plan so that every day, two team members can get the day off. All team members' names are listed on the schedule, and as an employee's name reaches the top of the list, he/she has the choice of either taking the day off without pay or working the extra day. Some employees prefer the time off while others prefer the extra pay; the benefit of the system is giving the employees choice and control over time off.

Impacts/Benefits

Employee satisfaction and morale

The most significant benefit of providing flexibility is higher morale and satisfaction. In an environment in which employees are asked to work weekends, long shifts and frequent overtime, providing scheduling tools that give them some control over their hours boosts morale without adding cost.

> "We are the happiest group. And yearly we have attitude surveys, and we have the lowest rate of absenteeism … . Everybody in [our department] would say we're a top 100 company." — *Employee*

> "I think it's great, from my personal experience. I've seen so many win-win situations, where people are genuinely appreciative, knowing they have the ability to use it. They tend to give you 110 percent. They're very appreciative that you're working with them and helping with their family." — *Manager*

"I truly think morale is the biggest thing. We don't care if it's a wage person or salaried person, we expect the job to be done. If you need to adjust your hours to fit your schedule, you still need to finish your work." — *Manager*

"Where they run continuously, we expect a lot of our employees a lot of the time. So we try to give them flexibility and help to manage their life. It's almost an obligation, given our expectation of them." — *Manager*

Greater ability to manage personal/family responsibilities, especially for second and third shifts
Policies that give employees control over their schedules and time off on short notice enable employees to participate in important events outside of work as well as manage everyday personal and family situations that arise without incurring performance penalties.

"When you have kids' activities … especially if you're on second shift, you tend to miss everything after 5:00. You may have a child with a sports activity and need to do it for four to five weeks … ." — *Employee*

"Sometimes when you have both spouses working here, if they have day care issues, he'll trade with someone with an off-day shift so that his wife who's working day shift can switch day care responsibilities." — *Employee*

"Part of it is we can try to avoid an 'us vs. them' [mentality]; we try to be all on the same page. All these practices are something that salaried employees are expected to have, and if we can offer the same thing for operators, that's a good thing*." — Manager*

"It reduces the amount of corrective action, communication I have to have with people in my department, because they're not getting into absenteeism problems. It's good for employees because it allows them to adjust to changes in their lives." — *Manager*

"Letting the wage pool have more control of how they do their work and have work-life balance. When you feel you're in control of your hours, you don't have to take a vacation to go to a dentist or doctor's appointment." — *Manager*

Reduced absenteeism and overtime costs
The ability to trade shifts and adjust work schedules on occasion reduces the instances of unscheduled absences dramatically and saves the company on costly overtime. Employees do not have to use their paid time-off days for instances when they are actually available to work but just need to shift their hours.

"Getting to day shifts is very hard and very limited. If they didn't have shift trade then a lot of people would probably have a lot more absenteeism." — *Employee*

"Here we try to have work-life balance. We truly do. Where individuals can work every day and still be able to take care of needs outside of the workplace. There's a lot of people here with lots of different backgrounds, and sure we have a business to run, but can we run it while having flexibility? We can with our hourly people, so we do." — *Manager*

"I believe we're avoiding long-term medical leave, because individuals are able to do shift trades, or they have siblings who can work one shift and they can take care of the parent." — *Manager*

Success Factors

Empowering employees — employee-initiated solutions
A striking aspect of flexibility at the plant is that most flexibility solutions emanate from the work teams. Consistent with the plant's continuous improvement philosophy, high performance work teams identify scheduling and work-life problems and test potential solutions. While management establishes the business requirements, guidelines for how the work is done are developed by employee committees and voted on. Guidelines are reviewed by HR before departments implement.

"I think it was us initiating the change, and HR saw it was a good thing." — *Employee*

"We started a guideline committee and started addressing the issues the operators had. Flextime was one of the things on the wish lists for operators. [One team] tested it out years ago, and it developed from there. If one part of the department could do it … ."
— *Employee*

"Policy — management owns that. Guidelines — we allow operators to vote on it."
— *Manager*

"There were parameters [set by management] on what had to be in place, but then there was a pretty open field of guidelines — what employees help to establish. As long as it's not detrimental to business. It has to be fair and equitable to everyone involved and needs to pass votes. Once in place, the team can't revisit the guideline for 12 months. But afterwards they have the opportunity to revisit and tweak the guideline."
— *Manager*

"One of the first things we did was shift trading. It originated with one of my employees. He had a son in high school sports. He wanted to trade from second shift without taking vacation so he proposed it, got together a task team and brought up all the issues and rules and got it through leadership. That to me was big because it allowed wage people to work a different shift." — *Manager*

"We do have to listen to the people on the floor. If they come up with an idea, don't dismiss it out of hand because you can't figure out how to make it work, but put the onus on them to figure it out with parameters. 'So why don't you work on that, and how would you do that?' They're very creative workers and may be able to come up with a way that's cost neutral and perceived as a benefit to them. [If] the person feels he wasn't listened to, what may have been a good idea never comes forward." — *Manager*

"I was hired into a high performing work system. The suggestion came up from one of the workers that 'I have a doctor's appointment, and I'm going to be late a couple of hours, and why can't I flex those two hours?' They put together a proposal to the

project start up manager. [Management] thought it was a good idea. That's how it started in the department, and it grew as other operators in the department were jealous of it and wanted to implement it in their platform as well." — *Manager*

"We don't want the employees to be just operating the machine, but to be thinking as well." — *Manager*

"If your culture is based on trust and respect, it'll work. But if you don't, you won't trust the operators to manage themselves. Yes, there was a lot of front work and communication, and looking at what works, but once that communication's done and you got over that, and it was working, you don't even think about it because it's part of the culture." — *Manager*

Team-based flexible schedule solutions

While it may take time initially to involve team members in developing the flexible scheduling options, the process creates solutions that meet the business needs and builds ownership of the system. Innovation and compromise are both required for scheduling alternatives to succeed in an environment in which seniority was formerly the main criteria.

"We had a three-day session where all the ideas were thrown out. All the seniors were able to voice their opinions, and it all came out. It didn't work perfectly right away, there were little holes people tried to work out, but I think even the higher seniors came on board and realized it was good. It works. It was just getting the mindset of the seniority out of the way." — *Employee*

"If you're not going to be a team player, it's not going to work for you when you request flexibility." — *Employee*

"The operators manage it. If they want to do a shift trade, they sign the form and give it to the team leader and they sign off. It's very self-managed. Flextime is the same way — you sign the sheet and have the team leader initial it. Team leaders really don't have to manage this at all." — *Manager*

"Employees have to be creative and bring different proposals and understand that proposals may change, and be able to bring it back to peers to get their consensus. You have to have individuals who are driven to resolve." — *Manager*

"As team leaders, we're fortunate where the culture is operator input driven and drives a lot of decisions. So if there's a system or process driven by operators, we don't have to manage the day-to-day detail, they run it and maintain the system and keep it up to date. In general, the culture has evolved into a self-managed administrative aspect of the system." — *Manager*

Clear policy, consistent application

Clear flexibility policies provide the framework for decision-making, and consistent enforcement by managers creates an environment in which employees believe they are being treated fairly. New managers can turn to seasoned managers and HR for help in handling unfamiliar situations.

"You need to be aware of what the paperwork is and what it means. If there's a shift trade, we typically post it on the board. Everybody knows in the next two days. Then you take it off the board and file it. You don't have to do anything different to manage in this environment. Just know the rules around the flexibility use and work around that."
— *Manager*

"Be consistent in how you look at situations. One of the things we notice around here is people perceive things as being inconsistent because they don't have all the information. But for those making the decisions, they look at how they've looked at other requests and try to be as consistent as possible." — *Manager*

"Having specific guidelines helps you be able to manage all these different types of arrangements, on how many half vacation days or unpaid time-off days you can use, etc. Have specific guidelines so if someone comes up to you questioning, you can explain to them why." — *Manager*

"You have to have a set of rules, and it's always better to have rules set up by operators that management can live with so it's their rules. And be written so that way it's more consistent." — *Manager*

"We have documents in place, but it's hard for new supervisors to go through everything. We're trying as they come in new to really reinforce with them that everybody is a 24-hour resource. So if you're in a situation without an answer, don't feel you have to come up with an answer by yourself; draw on other people. Get the right answer, and don't create turmoil by making the wrong decision without the right resource." — *Manager*

Cross training and using floaters as part of a staffing model
Having cross trained employees built into the staffing model on each team to cover for vacations and other time off avoids overtime costs. Although the staffing model is "heavier" than a minimal staffing model would suggest, if the model does not account for time off, it will actually be more expensive to fill in by paying overtime than carrying extra staff at regular wage costs.

"To make most of the stuff work, you can't be completely bare boned on your staff. We're not — because of seasonal needs and business, it makes sense to have a certain number of people, but you have to have that and also cross train them. If your plant doesn't have that in place, you'll need it prior to implementing flexibility." — *Manager*

"Once we decided that was the right thing to do, we pulled together task teams with operators and asked what training was needed and what skills people needed to have to contribute to the teams." — *Manager*

Management support
Plant leadership and middle managers are supportive of providing flexibility in employee schedules and expect supervisors to find ways to enable employees to solve scheduling issues while meeting the needs of the business. Scheduling solutions have been part of plant operations over several years, and many plant leaders were part of the high performance teams that developed innovative work practices.

"You should be able to give a good reason why you can't do that. A lot of times, it's turning back to the individual and asking how they would do it. And they think it through and realize it's not as easy as they thought it would be." — *Manager*

"The discussion as team leaders was, 'How am I going to schedule this?' It was a little more work for me. It's another thing I have to take into consideration for daily schedules. It's just a bit more work." — *Manager*

Tools and technology

Managers have delegated many of the routine scheduling tasks to employee team leads. Reports are run and posted daily to show the staffing demand and whether there are time-off slots available. Employees also use the computer scheduling system to request vacation time. Some information, such as shift trades, involves manual processes.

"We have a clipboard that we put in our regular shift (7–3), and if we want to come in two hours early, we put the adjusted time on it so the supervisor knows we're gone for those hours and also the other people we work with will know." — *Employee*

"We have it on a clipboard. It's nice because it's faster and it's visual. But you can't do it from home. To do it from home, you're calling the team leader." — *Manager*

Challenges/Barriers

Recognizing flexibility is not always feasible

Although use of flextime on short notice is valued by many employees, it can leave the team shorthanded. Some smaller teams do not have the elasticity to absorb the extra workload when someone is using flextime, especially when there is an unexpected work problem.

"We pretty much run 365 days a year, and it's going to break down hard more than once a week. With a 24-hour workday, they're happening every 24 or 36 hours … . We had a guy who flexed and we had two changeovers and two startups and we had an emergency, and we had four people doing the work of six people." — *Employee*

"We have to have four people running the systems all the time. Because they know they have certain weekends off and certain days off. You're fully staffed all the time and you reduce certain overtime; the only overtime is your normal vacation. You carry one operator heavy, but you're not killing the four people. If you only had four people, you'd be asking them to work eight hours every day. That one extra person saves money for the company, no doubt, just in the health of the worker and lost time." — *Employee*

Viewing flexibility as a business tool, not an entitlement

Business leaders have to periodically reevaluate if the flexible work options are good financial decisions. For example, frequent use of half-day vacations concentrated in certain shifts could cause an increase in overtime hours and costs.

"Balancing and making sure operators realize there's still a business to run, and you can't find different ways to get them off tomorrow or out early. Sometimes you can't always please them, but you do the best you can. You have to balance business needs with employee wants." — *Manager*

Addressing performance issues
Abuse by a few individuals is a concern for both employees and managers. It is important to address individual performance issues or misuse of flexibility so that the availability of flexible scheduling alternatives for an entire team is not jeopardized.

"A few people are abusing it … people will only put up with it so much. If you abuse it, someone's going to come back to you — either a team member or leader." — *Employee*

"How do you keep this program going and there isn't favoritism, and individuals aren't abusing the programs? There were individuals who would take it every Friday or every Monday. And you just can't allow that. It's meant to be used when it's needed, not as a convenience." — *Manager*

"A lot of making sure people are leveraging flexibility for the right reasons, and not for personal gains. That they're not playing games with it, which tends to happen. On an individual basis as [abuse of the policy] comes up, we try not to ruin it for the team. It starts at the team leader level and have them deal with it, then we get involved if it is not resolved." — *Manager*

"We don't want to change these, because operators came up with these. We want to deal with the individual instead of punishing all the operators." — *Manager*

Implications/Considerations for Other Employers

The use of flexible scheduling practices at the manufacturing plant has benefits for employees, supervisors and the company as a whole. Employees feel they have more control over their schedules and have the opportunity to attend events or appointments because they are able to take time off in smaller increments or shift the hours they work. Through cross training and thoughtful scheduling, managers are able to provide necessary coverage without incurring as much overtime cost. The flexibility practices were necessitated by a switch to continuous plant operations; by empowering the operators to develop scheduling options, the company has in place variations of flexibility that work for each team.

The success of these flexibility programs is in part due to the ownership the operators feel and also benefits from the piloting process, improving the program based on the experiences of a smaller group before expanding the program to other teams. Covering shifts 24 hours each day can be a challenge; the flexibility programs that are in place now address some of the work-life conflicts that shift work presents. The ability to manage one's time and feel some control over work hours and some ability to attend to appointments or events of importance without taking an entire vacation day is quite valuable to employees. The flexible work programs in place also recognize that fewer senior members of the

workgroup need flexibility as well, so seniority does not always determine who is able to flex their hours or swap a shift. Cross training and creative staffing models support the ability of teams to work flexibly. While this requires some investment of time and effort by managers initially, the return on their investment is significant in terms of productivity and retention.

While manufacturing plant environments may not traditionally be thought of as ideal for implementing flexibility, the teams at this plant have shown that with support from management and innovative thinking on the part of operators, the benefits of flexible work practices are numerous.

Case Study: Marriott

Global reservation and customer service representatives can use flex and time-off coupons online, which enables them to choose schedules that fit their lives and take "just-in-time" time off in full-day, half-day and hourly increments. These innovative flexibility options have significantly reduced turnover and are a key recruitment and retention tool.

Background

Marriott International, Inc., first established in 1927 as a small root beer stand in Washington, DC, has grown into a worldwide hospitality company with more than 3,000 lodging properties located in the United States and 67 other countries and territories and is considered a leader in the hospitality industry. With its corporate headquarters in Bethesda, MD, Marriott employs 152,000 people worldwide, of which 105,000 are employed within the United States. Among U.S. workers, approximately 75 percent are categorized as hourly workers.

Marriott has a long history of providing employee benefit programs to workers in frontline positions, such as food and beverage workers, housekeeping, and rooms operations. The company's strong corporate culture and inspiring core values are keys to continued growth, success and associate satisfaction. "People first" is the foundation of Marriott's corporate culture and success with a belief that their associates are their greatest assets and key to delivering superior customer service. Marriott demonstrates commitment to associates through a wide range of innovative programs, training and advancement opportunities.

Marriott's Global Reservation Sales and Customer Care Center, located in Salt Lake City (SLC), is a 24/7 call center operation with 200 associates (sales agents) on site and 90 agents who work from home making reservations for customers. The call center has successfully implemented a variety of innovative flexibility options.

Business Drivers

SLC is a very competitive labor market for call centers, with many large call/operations centers representing various industries competing for qualified employees in all shifts. High turnover is common — more than 150 percent. Adapting to the generational changes and interests of younger workers is critical to competing for talent in the lower wage workforce in this market. Last minute time off and flexibility is very important to this age group. Marriott is therefore utilizing flexibility to attract and retain associates in a competitive labor market, especially the younger generation of workers, many of whom are students and working mothers. Seventy percent of the Marriott workforce in the SLC Global Reservation Sales and Customer Care Center are Generation Y and younger, and the majority of them are students. This flexibility strategy is not only an attraction and retention tool, but it meets Marriott's goal of engaging and motivating associates to provide superior customer service as a competitive advantage.

"As a company, it's important to align our values with the values of associates. And their values are changing — they are more focused on family and personal life." — *Manager*

"Last minute time off and flexibility is very important to this age group. A large portion of our associates decide to go to a movie the night before and want tomorrow or today off and so that last minute flexibility is very important." — *Manager*

History

Over the past decade, the flexible work options have evolved in response to intense competition for talent and the needs of the changing workforce. The SLC management utilized annual associate opinion surveys and an associate council to identify needs and create innovative solutions. The management team listened to the ideas of associates and was open to new ways of scheduling. As a result, the ideas of "just-in-time" flexibility and time-off coupons evolved into the array of flexibility options they have in place today.

"An associate council brought up the idea and asked if there was any way they could get coupons or something that would give them an hour off during the day if needed. So, we figured it out and created the technology to track it." — *Manager*

Program Description

At Marriott's Global Reservation Sales and Customer Care Center, associates have to be on the phone for 92 percent of the time with 30 minutes for lunch and two 15-minute breaks in an eight-hour shift. There are a variety of options for associates to choose schedules that suit their lives as well as time off in full-day, half-day and one- to three-hour increments for a total of up to 30–40 days off a year combining paid and unpaid time off. Most of the flexible work options can be requested online on the new internally developed Web station. With this system, associates can sit at their desk and log on to request time off, pick up overtime, pick up their daily schedule, trade shifts and use a flex coupon, subject to manager approval and coverage. When associates want to sign up for a flexible work option, they log on to the Web station, and the system prompts them to enter key information including name, desk number, shift, the dates they want flexibility, how much time off they want and so on.

Paid time off (PTO)
Associates accrue vacation and sick time based on hours worked. The average in their first year is about one week. PTO is accrued with tenure, up to five weeks. PTO promotions are also offered as incentives. If the SLC center has a difficult staffing day, often a holiday, they will offer those who work their shift an extra personal day in their PTO bank.

Associates also accrue personal days — five days in the first year and two additional days after seven years of service. There are many ongoing annual incentives to accrue additional personal days off as well. For example, if an associate is first in sales for the quarter, he or she can choose to get four additional personal days.

"I like personal days because it's nice that they give us that option and we don't have to explain ourselves or why we need the day off or what we're doing … and it doesn't go against you in the sense of attendance." — *Associate*

Floaters

The staffing model at the SLC center includes designating a few associates as floaters whose job it is to pick up shifts, which ensures coverage and allows greater flexibility for associates.

Trading shifts

Associates can easily request shift trades through the Web station.

"You can sign up on the computer and say 'This is my shift — I need the day off.' Someone can go in and say, 'Oh, I can work those hours' and they pick up your shift. It's a nice way to get time off without using your coupons because you can get someone to pick up a trade and you can keep your coupon for another day." — *Associate*

"Just-in-time" flexibility — flextime coupons

Associates have access to "just-in-time" flexibility through the use of flextime coupons, which can be used in one-hour increments or up to three hours in one day. Flextime coupons are requested online using the Web station to determine availability and are approved by a manager based on coverage up to five minutes before taking the time off.

Associates earn 15 coupons after training and each year thereafter, as well as having access to them through ongoing incentives. Flextime coupons may be used "just-in-time" if available and in conjunction with other time off. They don't have to be used in consecutive hours, and an associate may use one at the beginning of their shift, one to extend their lunch, and one to go home early based on hours of operation. Business requirements, coverage and hours of operation govern the use of flextime coupons. For example, the Marriott's 1-800 desk hours of operation are 9 a.m.–1 a.m., and associates are restricted from using flextime coupons in the first or last hours the desk is open because that tends to be when there is less staff available.

"It's great because you can use them to take up to three hours off — you don't have to take a full day off and lose your full-day pay. You still get five hours pay if you take three hours off." — *Associate*

Unpaid time off

Time-off coupons may be used in one-day or one-half-day increments and provide a convenient way for associates to get unpaid time off in advance or on short notice based on individual needs and business requirements. Associates get 16 one-day time-off coupons after training and each year thereafter. They earn the coupon back one year from when they used it. Associates have ongoing incentives to earn more as well. Access to and use of time-off coupons is based on available slots (based on coverage and staffing). The associate uses the online Web station to check availability and request time off using their available coupons. Availability of time-off coupons will vary based on business needs and how many associates they can afford to have off at any given time. An associate may also request time off on short notice, for taking care of a sick child for example, by calling the manager on duty and asking if there are any slots available to take the day off without utilizing vacation or a time-off coupon. If a slot is available for their shift, the manager just schedules the associate off without penalty.

"Even if it's same day, my kids are sick or I want to go to a concert — if the spot's available and I have a coupon, they'll approve it." — *Associate*

Downtime

Additional opportunities for unpaid time off occur when there is "downtime" or lower than projected call volume. This option is entirely based on how many staff are projected to be required to cover the center's call handling needs that day, and it is available on a first-come, first-served basis. Associates can log on to the Web station, where information about anticipated downtime is posted. They can make a request for the same day or future dates by entering their names, requested shift end time or what time they would like to get off. This is a win-win because if associates are not needed on the phones they can request the time off without having to use a coupon. If the manager on duty looks at the database and sees they need to send five people home, they go to the downtime list to determine the first five people to let off.

Part time

Associates may work a minimum of 20 hours per week on a part-time schedule; however, students may work a minimum of 16 hours per week. Associates are required to work at least four five-hour shifts; students can work a total of 16 hours, but a minimum of eight of those hours have to be on Sunday, and the rest can be any time during the week. Students, associates working second jobs and long-tenured associates who have worked at the SLC center for seven years or more can request set-hours schedules for a six-month period. Associates who are working second jobs have to present pay stubs to have a set schedule approved. Students have to present their school schedule at the beginning of the semester and then they get a schedule for the entire semester and sign a contract agreeing that they won't change it. With a school schedule, associates only have to work 30 hours a week, which is considered full time for students only, and receive benefits. Those associates who are working on a hospitality service degree are eligible for tuition reimbursement. Most students work nights, which helps out with coverage since fewer people prefer nights.

"One thing I liked when I started as an associate in high school is that they worked with my schedule. Now I'm in college and a week before the semester starts, I set a schedule so I won't work during my school hours and I know when I can do my homework, etc." — *Associate*

Overtime

Overtime needs based on daily and future call volume projections are posted weekly on the Web station. To determine overtime, management compares expected call volume and daily staffing projections, and they post the number of staff and hours needed on Web station. Associates can request to work up to 12.5 hours a day, seven days a week if the time is available, based on state overtime laws. Overtime is paid at time and a half. In California, for example, employees cannot work more than six days straight or more than 12 hours per day. Occasionally there will be mandatory overtime if the call volume is particularly heavy.

Remote work — home agents

SLC has a home agent pilot underway with 90 customer service representatives. This initiative is aimed at recruiting agents in rural areas to work from home, which is a win-win because it offers employment opportunities to people in rural areas and enables Marriott to reach a different segment of the labor market and recruit associates beyond the call center geographic areas. There has been an overwhelming

response, and the pilot has been very successful. Marriott hopes to expand the pilot and offer the option of working from home to on-site call center associates in the future.

Creative use of technology (even while working out some technology glitches/challenges) enables effective remote training for agents, team meetings and monitoring of performance. Home agents are initially provided essential equipment including a PC, flat-screen monitor, headsets, phone and Marriott welcome packet of orientation materials. Group training is provided as a group via video webcasts. Associates log on and off the system, which monitors their start and end times and plug-in time. Managers have the ability to log in remotely to observe what agents are doing and dial into agent's phones to observe calls as a way to monitor performance and provide feedback and coaching similar to the monitoring and coaching provided for on-site associates. If there is background noise that's distracting, for example, a discipline regimen is initiated.

Home agents work 40-hour-per-week shifts and, similar to on-site agents, use preference sheets to request their schedule for one call period, or four weeks. Schedule approval is based on their "stats" (number of calls handled and number of calls converted to a reservation) and adherence/attendance. Home agents use the time-off coupon system to request time off for full or half days or flextime coupons to request time off in one- to three-hour increments if there are slots available. To ensure adequate coverage, up to five day-shift agents and five night-shift agents can be off at any given time. Home agents help provide much needed overtime coverage because it is easier for them to pick up overtime on short notice from home than it is for someone who would have to drive into the office.

Regular team meetings, held virtually, are an essential means of keeping home agents engaged and connected, so managers find creative ways to build in time for fun and socialization.

Home agents seem to be generally performing at levels equal to or above on-site representatives. The arrangement is working well for associates and the company. The pilot program has expanded in other locations, and currently over 400 associates are working as home agents with plans for continued growth to 600 associates later this year.

> "Associates love working from home so they want to do their best for the company. They are very proud to be working for Marriott, appreciate their colleagues, the quality of agents, good benefits and having the opportunity to work at home." — *Manager*

Impacts/Benefits

Flexible work options have had very favorable impacts on individuals and the business. Associates and managers are very positive about the work environment and variety of flexible work options available. The process and technology that enables easy, often "just-in-time" access to time off gives associates a great deal of control over their schedules and empowers them to manage their job responsibilities and personal commitments. Associates express great satisfaction with the work environment and how proud they are to work for Marriott, which are key engagement factors.

The variety of flexible work options is a great attraction and retention tool for Marriott in a competitive labor market — especially with the younger generation of workers. It's what differentiates Marriott from other employers and call center operations in the area. Ten years ago, turnover was 150 percent;

now it's 60 percent, due largely to flexible work options. There is general agreement among associates that the flexibility they have is what keeps them there. Some associates reported that they didn't expect to stay with the company for very long when they first began — but they don't know of any other place where they would get more flexibility, so they have stayed (many for two years or more). Managers report that increased retention of tenured associates results in increased productivity as well.

> "A differentiator from competitors is the fact we they don't have set shifts or set hours. When you come in, it is your shift." — *Manager*

> "We have the longest hours and offer the most flexible school schedules even though we pay less than other call centers." — *Manager*

> "Offering flexibility sends the message that we really care about you, we want you to spend time with your family or have the opportunity to go out with friends … but we're also here to run a business and here's what we need from you." — *Manager*

> "Those who leave this as a first job often come back and say they didn't know how good they had it here." — *Manager*

> "I don't know of any other job environment that has as much flexibility for hourly [workers] or management." — *Manager*

Success Factors

Consistency
There are many factors that contribute to the success of flexible work options in the call center, but consistency stands out as one of the most important. The clear flexibility policies and rules provide the infrastructure and guidance for associates. Managers who "stick with it" ensure fairness and equity, which are critical to success. Managers are supportive and approve requests whenever possible but enforce the policy.

> "You have to be consistent — the line is the line, because as soon as you push the line they'll push it again." — *Manager*

> "The profile of people we hire is people who need guidelines and rules, and we need to be consistent in enforcing them." — *Manager*

Involving associates in designing flexibility
Asking associates what they wanted, listening to their ideas and being open to creative new ways of scheduling were key to designing the array of flexible work options that work for associates and the business.

> "One of the best things we did is we asked them what they wanted. They told us and we figured out how to do it." — *Manager*

Technology

The technology that was developed internally is user friendly for associates and is much less labor intensive for managers than the previous manual system. The Web station enables associates to request "just-in-time" flexibility to meet their needs while ensuring business needs are met. It helps managers project staffing needs, approve requests, and track and monitor arrangements.

> "Without the technology, it would be a nightmare to manage." — *Manager*

Variety of flexibility and time-off options

The variety of flexible work options and creative tools, such as time-off coupons and flextime coupons, empowers associates to design work schedules and arrangements around their lives and personal commitments while ensuring that business requirements are met. Incentives and promotions provide ongoing opportunities to earn even more flexibility. Part-time schedules and the ability to work overtime meet the needs of those who want minimum hours and others who want overtime.

Planning coverage to meet the actual need

The staffing model, coupled with technology that helps plan staffing and coverage needs, enables flexibility to work well. Managers are able to predict staffing needs and offer time slots when associates can choose to request time off. Associates designated as floaters fill slots and provide coverage for those who are out.

Manager training, commitment and support

Marriott invests heavily in training for managers because 90 percent of their job is managing and taking care of their people. Training includes how to communicate with employees and deal with difficult situations. Managers also meet regularly to discuss challenges, share experiences and problem solve with each other. They are committed to making flexibility work for associates and the business.

> "My manager is one of the very best people I've worked for." — *Associate*

> "As managers, we talk together and problem solve how to 'save people' who are on the fence and that we may lose due to discipline, attendance, etc." — *Manager*

> "One of the reasons I've worked here for so long is because of my manager and how great they've always been to me — what's kept me here is the people and the management." — *Associate*

Collaboration and teamwork

Managers and associates collaborate to ensure superior customer service and effective management of flexibility. Associates work together to back each other up and ensure coverage.

Challenges/Barriers

Providing the wide array of flexible work options for Marriott associates at the SLC Global Reservation Sales and Customer Care Center is not without some challenges. The many options available are sometimes difficult for managers to oversee while ensuring coverage and superior customer service. Often there are delays for managers in approving requests for time off. They have to wait for some

statistics to come from the Omaha call center and other sites before they can approve all the requests, which means that managers sometimes cannot approve requests as far in advance as they would like.

Another challenge is not always being able to give last minute time off, which is particularly important for younger associates who will "call off" if they cannot get time off at the last minute to go out with friends, for example. Managers also feel that creating mechanisms to govern the system to prevent abuse, being impartial and ensuring consistency can be challenging as well.

> "When there is a situation where the associate truly does warrant a chance to stay despite extended time off, sometimes we can't do it because as soon as we're inconsistent, then it brings up a whole other issue of fairness, and people don't know where they stand and they push the rules because they've seen others get away with it." — *Manager*

Managing home agents poses specific challenges, particularly in clearly defining and managing expectations. Initially some home agents did not understand the nature of the job and that they were going to be tied to the phone continuously throughout the workday. Some expected that calls would be intermittent and there would be time for housework or caring for young children. Managers had to emphasize that this arrangement was not a replacement for child care, and that as sales agents, they needed to be available on their shifts to cover hours of operation from 6 a.m.–1 a.m. In some cases, if a crisis comes up in an associate's life, home agents just quit rather than try to work things out by using flexible work options.

It takes more time for home agents to learn the elements of the job because they are not in the office to see, hear and observe effective practices, and in turn, it takes more time from managers to train and coach new associates. Home agents need more team meetings to stay connected, and because they never meet face to face, managers have to find innovative ways to engage and motivate home agents through virtual meetings and creative team-building activities. And finally, providing technology to ensure the effectiveness of home agents and superior customer service remains a top priority.

Implications/Considerations for Other Employers

Marriott's SLC call center provides many ideas and lessons learned that other organizations can utilize to enhance the use of flexibility to meet the needs of a lower wage workforce and the business. It's important to target flexibility to the needs and realities of the workforce and local labor market. Asking employees (through surveys, focus groups or employee councils) what type of flexibility they need to remain satisfied and engaged is key to designing flexible work options that are a competitive advantage for the organization. The wide array of flexible work options and the ability to get time off and "just-in-time" flexibility at the SLC center provide the workforce with options, choices and a sense of control over their work schedules. However, clear policies, guidelines and systems that both managers and employees comply with ensure consistent, equitable implementation, which is so important to effectively manage flexibility. Leveraging technology to manage and track flexible work arrangements and to enable effective off-site work is an important key to success.

Careful planning for staffing needs and having additional resources as a backup to cover employees who are off enable wide use of flexibility as a staffing tool without putting extra burden on others. Teamwork

and collaboration between employees and managers is critical to ensure flexibility is well managed to meet business and employee needs. When teams or workgroups are empowered to determine how to cover the work and back each other up, flexible ways of working can increase team effectiveness and performance.

Case Study: PNC

Bank operations departments offer compressed workweeks, telework, flexible start and end times, and part-time options to meet customer needs, control costs and engage employees.

Background

The PNC Financial Services Group, founded in 1852, is the nation's fifth largest bank based on deposits. Headquartered in Pittsburgh, PA, PNC is a diversified financial institution that includes more than 2,500 retail branches in 13 states and the District of Columbia, specialized financial businesses serving companies and government entities, and leading asset management and fund processing businesses. The company had more than 59,000 employees in the United States and abroad. PNC has been recognized nationally for the wide array of work-life supports it offers to employees, including backup child care, elder care and flexibility. A variety of flexible work options including flexible start and end times, compressed workweeks, telework, and part-time schedules are used in departments within banking operations in many locations to meet customer needs; control costs; and boost employee recruitment, engagement, productivity and retention. Supportive management, access to flexibility on an occasional basis and high levels of teamwork contribute to successful implementation of flexibility.

Business Drivers

Quality of life is one of PNC's seven values and an important component of working at PNC. PNC is growing rapidly through acquisitions; as a consequence, managers and employees are experiencing heavier workloads due to frequent systems changes. This both limits opportunities for flexibility and presents new opportunities for managers and employees to think creatively about the use of flexibility to offset increased work demands. The rationale for implementing flexibility with PNC nonexempt employees varies across departments. The need to control costs through efficient staffing and space utilization, even as bank services and hours of operation expand beyond the traditional ones, has motivated the introduction of telework, flexible start and end times, and part-time positions. In addition, flexible work practices have increased PNC's success at recruiting and retaining strong performers from diverse segments of the talent pool to fill shifts that had previously been difficult to fill.

History

Flexible work arrangements were introduced in operations departments in many different ways. In one department, a senior manager learned about successful use of compressed workweeks at another company and challenged his direct reports to experiment in their teams. One department introduced flexible hours when the new workgroup was formed in 2000 as part of an effort to create a new team culture, ease the transition from other parts of the business, and enhance employee engagement and retention given heavy workloads. Other managers offered earlier start times as an option for employees with family responsibilities who could not add work time at the end of their shifts, and the need to provide coverage at the end of the day to align with extended hours at the branches motivated the

introduction of later start and end times. In another case, a new manager proposed the idea of expanding flexible schedules to "change things up." In other departments, flexibility started in response to a request from an individual employee with a specific need for certain work hours or a work-from-home arrangement and was expanded over time once the benefits for the business and the employee were evident. New online banking services and technological advances have presented both the demand and the opportunity to implement more flexible ways of working in order to attract a changing talent pool; expand hours of operation beyond Monday to Friday, 8 a.m.–5 p.m.; and interact with customers in new ways.

> "We were in a staff meeting with my manager several years ago. He had been out to California visiting another bank that had a compressed workweek program. … There were six or seven managers that worked for him and he just threw it out on the table and said, 'Think about [flexibility]. I challenge you to figure out how this will work.' And I just looked at him and thought, 'This guy hit his head. I mean, it's production, it just won't work.'" — *Manager*

Program Description

Scheduling flexibility varies across the operations departments and depends on the nature of the work; often teams utilize one type of flexibility option primarily with other types of flexibility used to supplement. Flexibility use in four different teams will be described to illustrate how the nature of the work and the types of flexibility complement one another.

Compressed workweeks
One department of 26 implemented a 9/80 (a schedule in which employees work 80 hours in nine days instead of 10) compressed workweek schedule more than five years ago; currently 19 staff including the manager, two supervisors, and two team leaders utilize the compressed workweek option. In addition, five staff members have five-day schedules choosing among three flexible start and end times, and two staff work part-time schedules. After six months of service, employees can request a 9/80 schedule, in which they usually have Mondays or Fridays off every other week, although a few employees request a day other than Monday or Friday. Team members work 8.5 hours with a half-hour lunch in week one and 10.5 hours with a half-hour lunch in week two. Managers and team leaders participate in the 9/80 schedule as well. Schedules can be changed twice per year.

The department schedule is posted online and with a manager's ultimate approval, employees are empowered and expected to find solutions to their needs for schedule changes or time off by trading shifts with co-workers, working half shifts on two days rather than one, considering co-workers' needs when they request vacation time, etc. Employees respect the department's operating principles and guidelines: flexibility is a privilege and not an entitlement, employees need to be flexible and cooperative with other team members' needs for time off or occasional needs to change hours during exceptionally busy work periods, and no more than three team members can be out on any day. Time off around holidays is rotated across the team rather than assigned based on seniority.

Telework and other flexible schedules in the e-mail team
The advent of online banking brought new customer requirements and created new opportunities to utilize flexible work options for the designated e-mail team within the customer service department.

Three years ago, space limitations and the difficulty of finding weekend coverage led to the recruitment of part-time telework employees who would respond to customer communications via e-mail. The e-mail team has tripled as the number of online banking customers and e-mail communications has increased. Half of the team teleworks exclusively and half uses a combination of flexible start and end times, some telework, and compressed workweeks. Flexible work arrangements help keep productivity and morale high and enable the department to handle the peaks and valleys in customer requests with limited overtime costs. The availability of laptops eases weekend coverage because employees are more willing to work some weekend hours if they can do it from home and avoid the cost and time associated with commuting to the downtown area. Part-time employees, many of whom are parents of young children, can vary their hours daily as long as they communicate their schedule to the manager and the team can meet its 24-hour turnaround service level goal. Part-time employees working from home are also able to increase their hours on days when the team workload is heavy. The manager utilizes several communication and information tools — frequent e-mail and instant messaging to keep the team connected and up to date on deadlines, daily goals and staff availability, as well as system logs and productivity reports to track individual and team workload and performance. Productivity reports indicate that employees can handle 50 percent more cases per day when teleworking, which is attributed to the lack of distractions and interruptions when working from home, as well as the increased motivation for high performance in order to continue the flexible work practices. The team meets on site once per month, which enhances team cohesion and on-boarding of new staff.

Flexible start and end times
Bank operations teams that perform a variety of CD, bank check and ATM-related functions offer numerous options for flexible start and end times from 6–9 a.m. until 2:30–5:30 p.m., depending on the nature of the work and customer interfaces. Management-level employees — managers, supervisors and team leads — coordinate their schedules so that at least one is present during all shifts. Cross training of staff on several jobs allows coverage when team members with specific knowledge or responsibilities are out. Flexible hours enable employees to share rides, optimize their work hours to coincide efficiently with bus schedules, and drop off or pick up their children from child care. In addition, employees can make up two hours within the same calendar week or pay period to accommodate medical appointments or personal needs during their regular working hours.

Flexible schedules and telework in collections
The collections department uses a combination of flexible schedules and telework to recruit and retain experienced credit counselors to cover Monday to Friday 8 a.m.–9 p.m. and weekend operations. Flexibility contributes to an annual turnover rate that is considerably lower than industry standards. A typical daytime schedule that has been in place for almost 10 years is four days of 8 a.m.–5 p.m. and a shorter fifth day either during the week or weekend. This provides phone coverage for the team and enables employees to have time on a weekday to handle personal matters and schedule appointments that may not be possible on Saturdays or Sundays. Some employees work a later 11:30 a.m.–9 p.m. shift, which leaves some weekday morning hours for personal needs. Managers also are assigned day and evening shifts so there is always a supervisor available. The department also hires college students for evening shifts and will adjust their hours to accommodate their course schedules. Within these parameters, employees also have the flexibility to make up hours on another day or shift if needed.

Telework opportunities were initiated in the collections department as a pilot to relieve office space issues and to respond to requests from employees with extremely long commutes. The team uses an online calendar, e-mail and instant messaging to communicate schedules and accessibility and exchange timely information. Teleworkers work in the office one day per month to meet with their supervisor,

connect with co-workers and catch up on administrative matters. Employee requests to change shifts or to telework are processed as soon as an opening in the schedule becomes available and often by the following pay period once employees have demonstrated a certain level of production and performance. Rather than as a burden, the employees view the 12–13 hours extended service hours as opportunities to choose work schedules that fit their life needs.

Impacts/Benefits

Flexible work arrangements have significant benefit for both employees and the business. Employees are more satisfied and engaged and better able to manage their personal and family responsibilities. The bank enjoys better coverage for extended weekday and weekend operations, higher retention, reduced absenteeism, and stronger productivity.

Productivity

Managers and employees report that greater productivity is possible with flexible work schedules than with standard hours. Early and late in the day, when there are fewer interruptions and distractions, employees can process work faster and more efficiently and complete tasks that require higher levels of concentration. Even the computer systems have better response time early in the day. Staggering staff schedules within the team also contributes to an efficient flow of work throughout the day so that team goals and deadlines are routinely met; in some groups, those on the early shift and late shifts have specific responsibilities that maximize the entire team's resources. Staff availability late in the day provides faster turnaround to internal and external customers — requests that come in late in the day can be responded to the same business day rather than on the following day, as had been the case previously.

> "We [use flexibility in our department under] the guise of it's not going to [negatively] impact the business from a morale perspective or a productivity perspective or an overtime cost. It won't happen if it's going to impact cost, morale or the customer's outcome." — *Manager*

> "[An employee using compressed workweek] can accomplish so much more in the extra 1.5 hours he works each day, because there's no one asking him questions, he can really do his work." — *Manager*

> "We're here at 6:00 a.m.; we get so much work done by the time the other people come in. It's quiet." — *Employee*

> "We try to resolve [certain types of requests] and fax them back as quickly as we can. We have a turnaround time policy, within 24 hours of request. We've been able to top that [standard] because we're here later. Now that people are on the late shift, people are working on [those requests]. It's a win-win situation because people are getting more experience and we're exceeding the business's timeline." — *Manager*

> "We've actually been able to help with research. Normally when you leave at 4:00/4:30, you had to pick up [the research] the next day, but now people are on the late shift, so they can take care of it that day." — *Manager*

"When you're here later the phone doesn't seem to ring as much so you can do things that you normally wouldn't be able to get to throughout the day." — *Employee*

"The flexibility in our work schedules benefits me with our new system. We have a deadline to answer whether or not we want to pay or return [certain] items. The fact that I do have people coming in earlier … is a benefit since the system is now up on a normal basis very early." — *Manager*

"The systems that we get into seem to be much faster the earlier you're here because the volume isn't there. So you're able to access reports and do a lot of the research and things that you need to do much faster." — *Manager*

"When all our paperwork is done, another department has to do the checks, so our deadline is 11:30 or 12:00. Well if you have a heavy, heavy day … we have [an employee] who started at 6:30 in the morning. The earlier that she can get checks done the more [it is a] benefit for the other department we need to deal with." — *Employee*

"When the customers call and they have problems with an ATM withdrawal or whatever, they need copies from us. And we're here the extra hour to get the copies out to [another location]. So they can get started on the customer inquiry quicker." — *Employee*

Reduced overtime costs

Flexible start and end times, compressed workweek schedules, part-time positions, and telework all reduce overtime costs by providing late afternoon and weekend coverage as part of the agreed upon work hours. On occasion full-time employees shift their weekday work hours to cover additional weekend times and part-time employees add more hours to cover the harder-to-fill slots.

Reduced unscheduled absences

The most prevalent result of flexible schedules is the reduction in unscheduled and unexcused absences. Even with more flexibility and variability in work schedules, there is actually more overall predictability in staffing resources and less disruption to the operation. When employees are able to set schedules that fit their personal and family situations and when they have permission to make up small amounts of time for unanticipated emergencies, the number of "call offs" is dramatically reduced. In addition, employees are more aware of the impact of unscheduled absences on team overall workload and performance and will avoid taking unplanned time off if it could jeopardize access to flexibility for the group.

"There's been a reduction of time off from work. I've seen it on my end, definitely." — *Manager*

"The obvious thing is it helps with employees calling off a lot of times." — *Manager*

"Instead of having six people call off … we'd rather have you work a schedule that wouldn't have us taking corrective action [because of absenteeism]. Most people will want to do the right thing." — *Manager*

"I've noticed with the compressed [workweek], the attendance level is better."
— *Employee*

"You know, the attendance level goes up. You don't have people calling out. Because people are thinking twice about who's actually going to be in the department. There are sometimes you have to call out, it's totally unavoidable. But, you're going to think twice before making the phone call in the morning." — *Employee*

"They'd rather help you than have you call off." — *Employee*

"You call and tell them you're running into traffic (or an accident). Most people don't take a lunch to make up the time; that's using flextime. As long as you make it up, it's fine." — *Employee*

"Every day, [an employee] comes in late five minutes, and the manager speaks to her. She's said, 'I know, but it's my bus.' The manager says, 'As opposed to me taking you down the path of corrective action, let's adjust your schedule. It won't hurt the business so much. Let me adjust your schedule so that you don't get into a problem.' We do that frequently because transportation in the inner city is an issue. And as best as we can, we make our flexible start time. Now, when I say flexible, the unit may start at 8:00 but [that employee] starts at 8:15 or 8:30." — *Manager*

"The benefit is not losing productivity for that day. You're not stuck dealing with six people who've called off." — *Manager*

Improved recruitment

Flexible schedules and telework have been successful recruitment tools to fill less popular weekday and weekend hours. PNC has been able to tap new segments of the talent pool and rehire alumni with changed life circumstances — mothers of young children, students and individuals with other scheduling requirements who are not available for either standard 8 a.m.–4:30 p.m. weekday hours or weekend hours.

"I knew about it when I applied and that was a big selling point." — *Employee*

"The first time we did this [telework] it was because the team advertised for a weekend person to answer e-mails and they got absolutely no applications whatsoever."
— *Employee*

"I look at the job postings and if it's 9–5 I don't even apply." — *Employee*

"In today's society with so many working moms, so many folks that are going to school, a company really has to look at a way to get out and attract the folks … if you don't allow flexibility you're going to get a workforce that you may not want. Because those folks will find a company that will really work with them." — *Manager*

Satisfaction and retention

Flexibility's strong influence on employee satisfaction and retention is apparent: Employees indicate that access to flexible work practices differentiates certain departments from others and PNC from

other employers. The ability to use flexibility is a significant factor, and it is often more important than small differences in compensation in decisions about posting for other positions internally or leaving the company altogether.

> "The employee satisfaction piece is the most significant piece of it. One of the core values at PNC is work-life balance. I have young mothers who are so happy to be able to attend their children's programs and they don't have to take the day off. To be able to do that and get the work done — you can't ask for anything more than that."
> — *Manager*

> "You lead your life and you control your job as opposed to your job controlling you."
> — *Employee*

> "It's really satisfying, everyone can do what they need to as long as the work is done."
> — *Employee*

> *"*A lot of people envy our department because of the flexibility." — *Employee*

> "I don't ever look to [apply for another job] because I like the time that I start. I've been asked to post for other jobs but I've chosen not to." — *Employee*

Time savings and commuting costs
Flexible start and end times and telework both produce measurable savings in time and money. Employees who can time their shifts to coincide with public transit schedules or to avoid rush hour traffic can save at least one hour per day in overall commuting time. Teleworkers save on time and money in proportion to the number of days they work from home. In addition, the ability to telework increases the pool of employees who are willing and available to cover weekend shifts when the requirement to commute to the downtown headquarters can be a deterrent — less frequent bus schedules, the investment in time commuting versus the compensation for a few hours of work.

Real estate savings for PNC
PNC's technology now supports delivery of several types of customer service functions by employees who telework for either part or all of their work hours. Telework arrangements in the call center, e-mail team and collections team have enabled the company to save on real estate costs by reducing required space for certain functions while expanding services without adding office space in others. Most departments require staff to come to the office monthly or more frequently for meetings with managers to handle certain administrative tasks and for training.

Enhanced teamwork and ownership
An unexpected benefit and perhaps an underlying success factor is enhanced teamwork and ownership. Without exception, workgroups have developed heightened understanding and accountability for the overall team goals and objectives. Communication and management tools that provide information about daily workload and staffing keep team members apprised of current expectations and the group's resources. Although flexible work arrangements may be negotiated at the individual employee level, employees look beyond their own tasks to anticipate what will be needed in order for the team to meet their daily service level goals. Employees are appreciative of the opportunity to have flexible work arrangements and realize that flexibility is a privilege contingent upon fulfillment of business needs.

Knowing that access to flexibility depends on achieving high performance against targets and acknowledging the reciprocity that makes flexibility work for the group, employees are motivated to help each other and willing to cover for colleagues who may be out. Rather than leaving tasks undone for the later shifts to deal with, employees who work early shifts try to stay ahead of the work to avoid a crunch or crisis later in the day.

> "They're aligned. Everyone has their own individual workload and goals, but they also have become aligned, and now have team goals. We have a bulletin board in the front, and every day they put up on the board what they're working on. Everyone will pitch in to meet the day's goal." — *Manager*

> "Teamwork is important for this to work. We have a lot of individuals who have been 'good' at their job and dedicated. Those people have now branched out and are not only looking at their own jobs but looking at others' jobs and helping them out." — *Manager*

> "If somebody is out sick plus you have people out with the compressed workweek, then we all pull together to make sure everything gets accomplished." — *Employee*

> "To me, I think it makes all of your employees leaders. Because everyone steps up to make sure that their job is done and everybody else's job is done." — *Employee*

> "We would lose [our flexible schedules] if we didn't produce or meet our goals. Every so often [our manager is] being evaluated and she has to produce numbers that say this is working or it's not going to be allowed to continue." — *Employee*

> "Sometimes you have to give something up. You can't say I'm taking this and not give back to the manager and team." — *Employee*

Success Factors

Empowering employees and trust

Successful flexibility requires selecting and hiring responsible people, clearly communicating expectations, providing the necessary information and tools, and then empowering and trusting employees to deliver the required results. In workgroups in which flexible work practices are commonplace, managers encourage and expect employees to resolve issues, develop solutions, and use the managers more as resources and for final approval. Employee empowerment from lessons learned about working flexibly generalize to other aspects of the work such that team members take on greater responsibility and accountability for overall team functioning and results. In many production environments, systems already in place provide managers with objective measures of performance, which should reduce concern about whether they can effectively monitor productivity of employees who use flexibility.

> "We let them work out the [schedule] conflict amongst themselves, and if they can't resolve it, then they bring it to us." — *Manager*

"People take ownership of their day as if you have your own business. You get more loyalty." — *Employee*

"You have to have responsible people who will work without a supervisor standing over them." — *Employee*

"I think the management and supervisors trust us enough … . They see what we put out. They have numbers. We have goals we have to make. They see what we do." — *Employee*

"You have to have people who are self-starters and who understand what they're required to start for that timeframe … . It's not really hard to manage because we have a group that pretty much understands what they need to do." — *Employee*

"I make them manage that. I don't want to be the bad guy. You know, you can manage that among yourselves, you're adults. And they do. They do a pretty good job of that. If the managers update that calendar … everything is on it. So if you want a day, you go online, you look at the calendar, you see who's out and then you try to manage it. If it can't be managed then that's between [the employee] and the manager to work that out." — *Manager*

"Work at home is not a big issue, as long as you send the right people home. You have to be willing to follow up — not controlling, but knowing what's going on … . At any given time, if I'm looking for an individual, I can look on the calendar and see where he is." — *Manager*

"In our department there's about eight of us. They can tell what we've done. The statistics would be right there and I really think they appreciate the fact that we do come in early because you get so much more done when no one's around. And if we went in there and didn't do our work for the first two hours because there's no supervisor, I'm sure they'd put a screeching halt to it." — *Employee*

Thinking creatively

Being open-minded and thinking "outside the box" is essential to developing innovative solutions that will meet business as well as employees' needs. Managers who listen to employee ideas and are willing to experiment and pilot a potential solution have experienced very positive results. After a specified period of time, the manager and employee or workgroup can evaluate whether the flexible work practices are meeting the intended purpose. By setting expectations and establishing the parameters at the outset, managers should not feel they must agree to schedules or other flexible arrangements that will not be beneficial to the business or that their approval to try something cannot be changed in the future.

"[My manager] came to me and said, 'Why aren't you applying for this job?' and I said, 'I can't always come in on Saturday and Sunday.' She told me she'd get me a laptop. We did this without asking anybody and it just took off … ." — *Employee*

"Be open-minded and … think about what you can make work internally with your employees. You can't always make everyone happy, but if it's going to benefit you as a department manager, I don't really see that you're going to lose anything." — *Manager*

"Don't be closed-minded about it. If you review their work needs and the business needs, you don't want to miss out on something good." — *Manager*

"The first thing is to think outside the box and get away from the mentality that work has to be done during a certain time period. Then listen to the employees or ask the employees for suggestions on how they might be able to accomplish their work so that they have some buy-in to the arrangement … . Managers should open it up and certainly not make any promises that we're just going to turn everything upside down to get the work done, but employees have a lot of good ideas to offer, and be open to those ideas." — *Manager*

"It was just in a general Friday afternoon conversation … 'Let's try it for a month, everybody having the opportunity to start a half hour earlier, but you understand that we're doing this as a month trial. If it's not working then we're either going to go back to the old hours or we're going to go back to the split shift.' And they found that it worked, and just gradually it evolved into a little bit more, but everything was done on a one-month trial." — *Employee*

Flexibility that fits the work

A fundamental aspect of successful flexibility is designing arrangements and schedules that are aligned with the nature of the work — workflow, peaks and valleys in demand, specific tasks, and performance requirements. Managers must be knowledgeable about the work requirements and be able to separate true requirements and deliverables from work practices and habits that may not be essential to the deliverables. Once the requirements are explicit, the manager and employees can consider how the work might be accomplished and results achieved in new, more flexible ways.

"Our proof department is really an afternoon into evening shift, so there's no way that we could schedule people to come in [earlier], there's nothing for them to do." — *Manager*

"I do believe you have to customize the arrangement to the nature of the work and the service associated with that work and the regulatory compliance to keep the reputation and integrity of the company where it needs to be." — *Manager*

"You have to be not only flexible with the work schedule but you have to be flexible with the work arrangements — who does what pieces. You can't have a person coming in at 6:30 who can't get in touch with people 'til 9:00." — *Manager*

"You really have to watch and manage that to make sure that the work is here and that there's enough for everyone to do. You certainly don't want people with downtime." — *Manager*

"What I asked the manager to do was to help me understand the workflow. Some of them come in at 8:00; is some of the work showing up at 8:00 so we can stagger? And then we can sit down and say to people, 'Now who would really like to come later? Who would really like to come earlier?' and work it out that way." — *Manager*

"It's not just a matter of changing the hours. Some work doesn't come 'til 8:00 in the morning; some comes at 6:00 in the morning. But if you don't have the people to process it in a production environment, it won't get done. When that work doesn't get done there's a customer impact, and if we have a customer impact, that's an unhappy customer and that's a problem." — *Manager*

"You've got to know what your needs are, what service levels are in place so that you don't jeopardize service levels, you don't jeopardize any type of compliance issues or risks or anything like that. So you've really got to know your business and make sure you understand what coverage you need. If you're supporting the front line, you have to know what their hours are to make sure you accommodate that." — *Manager*

Communicating

Effective communication is even more important when workgroups utilize flexibility than in situations in which the workgroup all work on the same schedule in the same location. Weekly and daily schedules, daily goals, status on deadlines, etc., are posted online or in strategic locations so that all staff are informed about expectations and staff availability regardless of the hours or location of work. Managers are proactive about connecting with employees to keep them engaged and to integrate new team members, and employees are expected to keep one another and the manager informed as well. Technology tools, such as e-mail and instant messaging, provide real-time access to colleagues and managers. Making the staffing schedules readily available and communicating the coverage parameters facilitates employee requests for any schedule changes or time off and empowers them to proactively find solutions, thus saving management time and enhancing employee ownership of the arrangements.

"On the day that someone is not working [because of his compressed workweek], they have to send an e-mail to the group saying these are the things that need to be done, and they assign to someone else who's covering it. It's become routine now." — *Manager*

"If we have an issue or an account with a problem, we can [instant message] the manager, and she can get back to us. If the customer is on the phone with us, it's like she's sitting across the desk from us at the office." — *Employee*

Team-based flexible schedule solutions

While it may require more time initially, involving the team in developing flexible work options creates buy-in and builds employee ownership. Starting with a solid understanding of the business parameters involving the team can generate innovative solutions that will reflect employees' preferences and needs.

"In one of our conference rooms, we put up the schedules of everyone so they could see how the schedules would work — the times, week one and week two, and how you would equate your vacation hours. It helped having the mock up." — *Manager*

"When it started up it was everybody in the room … . They rolled it out to us, 'This is what we'd like to do … how do you feel about it?'" — *Employee*

"Lots of group meetings. I have to admit, I couldn't grasp how it was going to work. Our manager did a good job of explaining it. We took surveys on the schedules and we tried to accommodate as many individuals as possible … . We got from management the schedule options and then we voted." — *Manager*

"Employees are very creative, and when they have a hand in the decision it makes a big difference. So that's a big piece, that the managers shouldn't always think they have all the answers." — *Manager*

"Appeal to the people to be a part of the process … . Some people can be very creative if afforded the opportunity to understand the dynamics of the situation. But you have to lay some ground rules, some rules of engagement, some guiding principles. If the employees themselves or their leader can come up with a workable plan, I think that's a win-win for everybody." — *Manager*

Cross training

Cross training and the ability to back up other team members is often a prerequisite to implementing flexible work arrangements that involve varied shifts such as compressed workweeks and flexible start and end times. Having multiple staff members knowledgeable on key processes ensures reliability that the work can be completed accurately and in a timely fashion during all hours of operation, regardless of individual work schedules.

"Everyone needs to be cross trained. So if you're short staffed the rest of the staff can pick up the workload." — *Manager*

"And that's where all of the cross training comes in, because if you're not finished [at the end of the shift] we just pass it off to a person [who uses a compressed workweek schedule]." — *Employee*

"We build a flexibility chart to show the task, who has knowledge of the task … a spreadsheet with everybody's name down the left column, and all of the tasks across the top row, and then put in for that task how much that individual knows. Are they 60 percent proficient, they know nothing about it, are they 100 percent proficient … and we use that to do specific and deliberate cross training so that as an event occurs, there's a production issue or we're short staffed because of a call off or a vacation, or someone's out on short-term disability, we know exactly where to go, to the resources that are knowledgeable about that particular function and process." — *Manager*

Challenges/Barriers

Viewing flexibility as a business tool, not an entitlement

Managers express concern that once employees have a flexible work arrangement in place, they treat it as an entitlement and it is difficult to make any changes. One complaint is that teleworkers can be reluctant to come into the office for meetings and events. While employees do plan their transportation, arrange for child care and other personal responsibilities to coincide with their work schedules, it is critical to set expectations at the outset that flexible arrangements must meet the business needs, they will be reviewed on a periodic basis and they may be renegotiated if business requirements change. While managers try to minimize the need for schedule changes, employees should be prepared for occasions when they may be asked to adjust their hours to accommodate co-workers or to respond to business demands.

> "One of the major pieces that you have to get across to people is that this is something we are allowing but there might be times it has to be changed and it's not an entitlement. We're offering flex schedules in order to accommodate people and it is very, very nice, but there might be times you may be asked to change your schedule."
> — *Manager*

> "We're supposed to go over the schedule every six months, and people think that they keep their schedule forever. It's a problem." — *Employee*

Management support

The primary barrier to broader implementation of flexible work arrangements is variability in manager support at different levels within the organization. Managers are concerned about monitoring performance of employees working on different schedules and locations and are anxious that productivity goals or service levels will not be met or there might be increased compliance risk. Others are used to certain ways of doing things and either are reluctant or have too many competing priorities to consider new ways of working. Those unfamiliar with managing flexible work options may not have the information or tools to manage arrangements effectively. Inconsistency across departments and in situations in which new managers discontinue the more flexible practices of their predecessors causes employee dissatisfaction and turnover.

> "If you don't understand it, you can be scared away by it." — *Manager*

> "They wouldn't even talk about it. So it depends on which department you're in and what level." — *Employee*

> "You do have to have somebody at a manager level to really push it." — *Employee*

> "It's being afraid of change and what impact it's going to have. All they're looking at is there's going to be people out of the office. They're not looking at the total coverage day. They're not looking at the benefit as far as attendance level and if you're extending your day productivity-wise, you've got some up side with that. But there are some different departments where it probably would not work." — *Employee*

"We have some managers who have blinders on and say, 'Flexibility will not work in my unit. My unit is 8:00 to 5:00 and five days a week.'" — *Manager*

Coverage and resource constraints

One of the main barriers to offering flexible scheduling is not building enough resources into the staffing model to achieve the level of coverage necessary to meet the business demands. Although financial constraints can affect managers' ability to provide scheduling alternatives, often unscheduled absences and other time-off events are masking the fact that the number of available staff is considerably less than the number of paid personnel resources. When managers understand the hidden costs they are incurring due to lack of flexibility option and address the issues by building in sufficient staffing resources, proactively managing scheduling and enabling some schedule flexibility, they find they can maintain or reduce overall labor costs by avoiding overtime. Another staffing challenge is supervisors' willingness to work flexibly when the business requires management oversight during nonexempt shifts. Initially it was difficult to convince some managers to alter their work hours so that employees could work either earlier or later shifts or compressed workweeks.

> "How do we fund these arrangements? If we don't fund them, then we end up paying the price through attrition or transfers out anyway. So then we end up losing an employee that we already invested in training, and that's not a value proposition."
> — *Manager*

> "In one of the functional areas that I manage of about 20 people, [my] manager and I did an evaluation early this year. We took every employee and how many hours were available in the year and then how many hours of vacation, what they typically averaged in call-off, occasional absence, and short-term disability. We added that whole thing up and did the mathematic equation and said at the beginning of the year, given what we know to start, we're already two [full-time employees] short for the year. And we still have to get the business done! That's one of the things that drives the overtime."
> — *Manager*

> "[One challenge is] trying to have the supervisors there or someone in a leadership position to cover the people that come in, because we have so many people in the group. So if you have a supervisor that's on vacation, now you've got to have someone else step up and come in and cover for those people. That's hard to do." — *Manager*

Tracking flexible schedules

Compressed workweeks and part-time arrangements require that time worked and time off be tracked in hours; however, company time-tracking systems often use days. This results in additional paperwork and sometimes a second time-tracking system for managers and employees to keep track of what the employee has worked and what time off he or she is entitled to; initially it takes practice and working through some examples for all to understand how to count vacation time, holidays and so on.

> "In the beginning, the tracking of time from days to hours [was a big challenge]. It just took some getting used to." — *Manager*

> "That is the one thing that you have to get acclimated to. You have to transpose everything and you're dealing with hours. Now, it would be different if we were on a four-day week and that was it, you know four 10-hour days and that's your only

schedule; that would be fine. Because you're going back and forth between the eight-hour day and the 10-hour day, you have to be careful how you schedule things. You could possibly end up losing time." — *Employee*

Addressing performance issues

Some managers, particularly those who have not managed individuals on flexible arrangements, ask how they will be able to manage performance. Managers and employees suggest that performance should be managed according to the delivery of results using productivity reports and other tools, regardless of work schedules. When individuals abuse the arrangements and do not perform up to expectations, it can affect morale in the entire workgroup. Poor performance should be addressed at the individual level so as not to jeopardize the availability of flexibility for the entire team.

"Flexibility will make [poor performance] show up." — *Employee*

"There was an issue on the team with a worker who wasn't compliant, and he was working from home but the same thing would have happened here. You really can't hold that against the whole pilot program." — *Employee*

"That's not really a big problem. You can always monitor, whether on the computer or when they punch their card … and I know we have a productivity database and we put in all the work we do throughout the day, so you would notice if someone is coming early and not doing their work." — *Employee*

"Just manage the abuse and don't let it taint your philosophy. It has to be individual." — *Manager*

Family responsibilities/personal circumstances may not allow use of certain flexible schedules

Although compressed workweeks and early start times may be attractive to many employees, limitations of child care hours of operation and availability of public transportation prevent some employees from benefiting. Consideration should be given so that there is fair access to the various work schedules that are created.

"People with day care issues … in the beginning said they would love to be on it but couldn't because of the longer days. But they have been able to work around it. One person initially couldn't be on it because she had to pick up her child by 6:30, and our program lasted until 5:30. She eventually found after-care help." — *Manager*

"I had a day care situation with my son and the times that we had for our extended day, I would have been getting there late every day to pick him up, so I wasn't able to take advantage of compressed workweeks." — *Employee*

"In the morning it's hard because [the child care center] doesn't open until 7:00." — *Employee*

"We just changed some of our schedules to even go a little bit earlier to accommodate for the [local transit] changes; because of the bus schedules, people were having trouble getting here and getting the buses." — *Manager*

Implications/Considerations for Other Employers

Flexible work practices are enabling PNC to attract and retain an engaged workforce while effectively managing costs and servicing customers. While different areas of the organization have adopted flexible work practices in different ways, each implementation has required managers and employees to think of scheduling options innovatively, creatively and with an open mind. Because of the changing nature of the banking industry, PNC has used flexibility in its scheduling to attract employees and cover more hours to remain competitive. Using a combination of traditional schedules, compressed workweeks, telework, part time, and flexible start and end times, managers are able to provide the required coverage. Because the tasks of some employees are dependent upon other employees, preventing gaps in coverage is critical to meeting business objectives and reducing overtime costs.

Managers and employees agree on the importance of piloting programs and including employees in the rollout and implementation of flexible work arrangements. Empowering employees to figure out coverage and swap shifts has been shown to strengthen flexibility programs at PNC. Managers provide approval of scheduling changes, but it is the employees who are tasked with figuring out solutions to challenges or scheduling conflicts. Taking ownership of this responsibility has enhanced team collaboration and productivity as a group.

Flexibility at PNC clearly benefits the employees, managers, customers and the business.

Case Study: Procter & Gamble

Consumer relations representatives — responsible for handling customer contacts by phone, e-mail and postal mail — are teleworking, resulting in higher job satisfaction, greater retention, improved coverage during busier times and lower real estate costs.

Administrative assistants — supporting managers who travel — are teleworking; accessibility by phone, e-mail and instant messaging are keys to success. Greater productivity and more efficient integration of work and personal responsibilities are reported as outcomes of this flexibility.

Background

Procter & Gamble (P&G), a global consumer products organization with a U.S. workforce of more than 38,000 employees, offers flexible work arrangements and occasional (ad hoc) flexibility to consumer relations representatives and administrative staff at its headquarters in Cincinnati, OH.

The consumer relations representatives respond to consumer feedback and questions via phone calls, e-mail and postal mail. Flexibility utilized by this group includes telework, flextime and less than full time, or some combination of these flexible work options. Administrative staff across the United States, including those who support managers who are out of the office traveling or who work at a different corporate location, also use flexible work options, primarily telework, compressed workweeks and flextime, or a combination of arrangements.

Business Drivers

Several issues have contributed to P&G's decision to offer access to flexibility for its nonexempt population. As early as 1994, P&G piloted telework programs as a way to save on real estate costs. More recently, there has been concern about work-life results on employee opinion surveys — many nonexempt workers felt they could not balance their work and nonwork responsibilities. At the same time, senior leadership recognized that Generation Y employees expect more flexibility than their older colleagues, as they tend to integrate their work and personal lives more fluidly than their older colleagues and demand a work environment that allows them to do so. In addition, global responsibilities are expanding the workday for some employees who work early in the morning and late at night to connect with colleagues in other time zones. Benchmarking against comparable organizations made it clear that flexible work arrangements and ad hoc flexibility had to be offered. Considering these factors and the goal of retaining quality employees, P&G needed to offer flexibility equal to or better than that offered by its competitors.

"The results of the corporate survey have been a huge driver. People [were] saying that they don't have enough balance in their lives. They would like more flexibility. We need to motivate employees and retain employees — if they can't get flexibility here, they're going to go elsewhere." — *Manager*

History

Telework arrangements for consumer relations representatives were first piloted in 1994 with two teams of part-time employees to save on operating costs; the pilots have been expanded over time to include most consumer relations representatives in the Cincinnati P&G location. There were several factors in recent years that have contributed to the expanded implementation of flexible work practices at P&G. As part of the effort to retain talented women and to encourage women to return to work following maternity leave, P&G focused on the underutilized policies pertaining to less-than-full-time schedules and teleworking. A merger with another large consumer products company prompted additional examination of policies and practices with the intention of continuing the best options available. At the same time, a senior leader at P&G embraced the idea of flexibility, understanding that P&G needed such policies in place in order to attract, retain and engage employees, particularly Generation Y employees. He understands the business case for flexibility and has led a shift to greater acceptance of innovative, more flexible ways to work.

Program Description

Consumer relations representatives

Telework arrangements have expanded from a pilot group of 20 part-time consumer relations representatives in 1994 to include most part- and full-time consumer relations representatives. Previously, all full-time consumer relations representatives were on site; when the option to telework was introduced, employees transitioned to working from home. After four to six months, most representatives work from home, using technology provided by P&G (i.e., laptop, phone, high speed internet, e-fax). Managers are able to monitor quality and volume of calls, e-mails and letters answered by consumer relations representatives teleworking, just as they can for consumer relations representatives working at a P&G location, using the technology available. All consumer relations representatives usually come into the P&G office once or twice per month, using shared hotelling spaces. Currently there is room at the P&G office for about 60 percent of the consumer relations representatives.

"They tell you when you're hired that you'll be teleworking eventually if everything is going well. I think it's a big incentive to just work your hardest, and it makes it very hard to leave the department." — *Consumer Relations Representative*

Flextime

Consumer relations representatives have blocks of time during which they are on the phone, available to answer customer calls. They are also responsible for responding to customer e-mails and postal mail. Employees can request specific phone schedules — seniority and performance contribute to the determination of who gets which shifts. Once the phone shifts are assigned, employees are expected to be on the phone during those times. There is more flexibility in terms of when consumer e-mails and

letters sent via postal mail are answered. Employees can opt to do this in the evening or on weekends, as long as responses are sent within the internal service level time frames.

> "Phone time is real time. You can't change that. Outside of phone time, it's very, very flexible." — *Consumer Relations Representative*

Full-time consumer relations representatives can have flexible start and end times for their 8.5 hour workday within the 8 a.m.–6 p.m. window, but everyone has to be ready to work by 9 a.m. when the phone lines open. Employees greatly value the ability to attend to personal commitments (i.e., a child's or parent's doctor's appointment, a child's sporting event or recital, a parent-teacher conference, an appointment) and are not asked to use vacation time to make up for the absence.

> "I think it's nice that I can start as early as I want. I start working at 6:30 a.m." — *Consumer Relations Representative*

> "There have been times when I would have taken a half day of vacation because I needed to go to a 30-minute appointment. Now I can flex the time and make it up later in the day or another time that week." — *Consumer Relations Representative*

> "I work 8:45 a.m. to 3:00 p.m. three days a week and then I usually flex at least four to six hours of e-mail a week, so on average I work between 23 and 25 hours a week." — *Consumer Relations Representative*

Part time
Part-time representatives bid on schedules based on seniority and performance. Flexibility provides incentive to be productive and efficient.

> "You almost feel like you need to prove that you can do this and you're not going to do anything to jeopardize it." — *Consumer Relations Representative*

Administrative assistants
Telework
Administrative assistants also utilize flexible work arrangements, primarily the option to telework several days each week. Generally, policy requires that individual office-based employees do no more than 50 percent work-at-home schedules, but some entire organizations (like Consumer Relations), as well as remote or field-based situations, set a natural stage for some increased use of telework. In some cases, they are supporting managers who frequently travel or are working out of other P&G offices, often out of state. When the administrative employees are part of a team, they work out a schedule among themselves so at least one person is at the P&G office each day. In some cases, if teams need to hold face-to-face meetings, everyone is required to come into the office on that day. The current scheduling flexibility is a change from previously, when all administrative assistants were expected to be at their desks during traditional business hours with little or no scheduling flexibility.

> "My managers are going to call me or send me an e-mail or instant message me. Why do I need to be in the office? It doesn't matter if I'm here or at home … the first way people get in touch with me is instant messenger." — *Administrative Assistant*

"We seriously can do our work in the office one day a week, and everything else at home. I support people who I don't even see when I come into the office. We're trying to present our case that one day a week is more than enough." — *Administrative Assistant*

Compressed workweek

Some administrative staff are using compressed workweeks — completing their full-time job responsibilities in four days each week. These arrangements can create greater flexibility in scheduling meetings or meeting customer needs. An unexpected outcome has been some saving in overtime costs. As with telework, compressed workweeks require coordination of scheduling among colleagues if it is necessary to have at least one administrative assistant in the office each day.

"I do four 10-hour days. I'm off on Fridays, and I work from home on Mondays." — *Administrative Assistant*

"When I was working until 4:00 every day, sometimes management would have a meeting starting at 4:00 so I would have to stay and that was overtime unless I took time off on another day that week." — *Administrative Assistant*

Occasional flexibility

Across many parts of P&G, employees use flexibility on an occasional basis. In some cases, this involves leaving an hour early or coming in an hour later or taking a longer break in the middle of the day and making up the time on another day that week. Policies set parameters for use of flexibility. For example, employees are expected to make up flexed time within the week that it is taken. In addition, occasional flexing should only be initiated by employees so that the company maintains FLSA compliance. However, employees take personal responsibility to meet their work obligations.

"My situation is very flexible. Any time I say I have a doctor's appointment or whatever, I make up the extra hour the next day." — *Consumer Relations Representative*

Impacts/Benefits

Employee satisfaction and retention

Employees report they are more satisfied with their jobs, more likely to stay with P&G, less stressed, and better able to manage the demands of work and their family/personal lives. P&G benefits from employees who are more productive, more creative and more motivated — the employees value their flexibility and want to ensure that it continues to be available to them. In addition to feeling better able to manage personal and professional responsibilities, many employees cite cost savings resulting from flexible work arrangements (i.e., gas, parking, dry cleaning).

"It's financially better … gas, paying for parking when you come downtown, and also the time … the extra hour or two that I get in a day when I'm not commuting." — *Administrative Assistant*

"The folks that telecommute love to telecommute, and the folks that have their four-by-tens love their four-by-tens." — *Manager*

As a result of flexible work options at P&G, employees report that their morale has increased — people appreciate that they are home as soon as their workday ends. They enjoy the convenience of being close to their children's school and activities and the ability to run errands at lunch time or go to appointments without needing to use vacation time. The employees utilizing flexible work arrangements report being more engaged and satisfied with their jobs and report that as a result they are more likely to stay at P&G. Increased retention, in turn, benefits P&G because of decreased spending on recruiting and training.

> "At first, I resisted the idea of teleworking, and now I can't imagine not doing it. It's absolutely the best of both worlds." — *Consumer Relations Representative*

> "I'm able to sign off my computer and be home or be at an appointment or be at a school function 10 minutes later … it's the biggest gift to the working world." — *Consumer Relations Representative*

> "I told my manager that if he keeps letting me work from home, I'm not going anywhere." — *Administrative Assistant*

> "People are working very hard and diligently at home because we don't want the privilege taken away. People really want it to work." — *Administrative Assistant*

> "I think people are feeling valued because they've found a flexible arrangement that works for them. I think they have a higher level of engagement, which leads to higher levels of productivity and this usually leads to higher retention, and there are just a lot of benefits to all of that." — *Manager*

Real estate savings for P&G
As a result of teleworking among consumer relations representatives, significantly less real estate is necessary; the reduction in space needed at one location (from two floors to half a floor) has resulted in significant savings to P&G. Consumer relations representatives are expected to come into the office once or twice a month and use hotelling spaces available for teleworkers. Currently, there is space at the office location for about 60 percent of the consumer relations representatives.

Prepared for unexpected events
Equipping the consumer relations representatives to telework has better prepared P&G to handle crisis situations — everything from inclement weather to an unexpectedly high volume of calls and e-mails due to consumer concern about a particular product. Having employees able to work from home allows P&G to shift staff to changing work priorities. During a recent event prompting exceptionally high call volume, all of the representatives were "manning the phone lines from 8:00 a.m. until 9:00 p.m. seven days a week" from their homes.

> "The people calling from California don't care if it's snowing here when they call. They expect someone on the other end of the phone." — *Consumer Relations Representative*

> "We're able to flow to the work, whatever it is — crisis or whatever — almost any hour of the day." — *Consumer Relations Representative*

"It's the ability to shift people where they need to be … because of the combination of full-time and part-time and flexible work hours." — *Consumer Relations Representative*

"We all did weekends during [the recent concern about one of our products]." — *Consumer Relations Representative*

Success Factors

Discussing flexibility and work-life integration
Talking about flexibility and work-life integration is important to the continued and growing use of flexible work arrangements. Managers at P&G discuss these issues as part of quarterly performance meetings with employees and adjust work schedules as needed to meet changing business needs. Both managers and employees need to bring creativity and trust to these discussions of flexibility.

> "The more you do it, the more relaxed the managers are with it. As long as you're meeting deadlines, it becomes normal." — *Administrative Assistant*

> "Think about the specific people that would be working flexible arrangements and try to visualize how it would work before you make a decision." — *Manager*

Employees and managers collaborating
Successful flexible work arrangements require flexibility on the part of everyone involved. At P&G, employees and managers partner to develop an appropriate flexible work arrangement for each employee involved in the program; combining different types of flexibility is often necessary to meet the needs of employees as well as the demands of the business.

> "We want every employee to be aware that flexibility is something that is okay to talk about with their manager and really encourage them to have a regular discussion about these issues as part of our quarterly performance development planning." — *Manager*

Cross training
Cross training and the ability to back up colleagues is key to the success of many of the flexible work arrangements. Aligned with this is the importance of scheduling with the skill sets of team members in mind.

> "We always have somebody as a backup with a very detailed backup plan for every single person in our group. If one person isn't there and something high priority comes up, then the other person just covers. So far, everything has worked very smoothly … ." — *Manager*

Communication
Communication among peers as well as between employees and managers is critical. Instant messaging technology has made it possible for employees to let everyone know where they are and how they can be reached at any time during their workday. In environments in which managers and employees are comfortable with instant messaging, the question of how to find someone when they're not in the office becomes a nonissue.

"Between e-mail and instant messenger and the phone, getting my questions answered is really not an issue because I can talk with anyone at any time." — *Manager*

"I'm very easy to track down. My voicemail lets customers know where they can find me each day. I do the same thing with instant messenger … I set it up so people know when and how they can reach me." — *Administrative Assistant*

Technology

In addition to e-mail and instant messaging, other technology has also contributed to the success of flexible work arrangements. Virtual meetings using webinars, videoconferencing and conference calls make it possible for people to work off site and still contribute to team meetings. While some interactions are best done face-to-face (including performance reviews and discussions), many meetings can take place when participants are not physically in the same room. It is important for managers to know about virtual meeting options and not assume that their team members all need to be in the same location.

Sharing success stories

Sharing success stories supports the expansion of flexible work arrangements and increases the acceptance of flexibility as part of the P&G culture. Greater awareness of how others have used flexible work arrangements to better balance their work and personal responsibilities can only help as employees consider their own situations and weigh their options. For both managers and employees, it's helpful to know what other people and teams are successfully doing.

"So much about corporate culture is the story telling … when people share their success stories and help people to see that this has worked, then it becomes okay and it becomes less of the exception to the rule and more of how we do business."
— *Manager*

"Exposure to role models and other people doing things differently is another good strategy to help change the culture." — *Manager*

Flexibility training

Over the past year, P&G has invested in training and communications for employees, managers and HR professionals on successful implementation of flexible work arrangements. The new flexibility Web site is the main portal through which flexibility tools and information are accessed. P&G's training includes online courses for HR addressing flexible work arrangements policies, the business case for flexibility, the culture change needed for successful implementation of flexible ways of working, managers' concerns and myths about flexibility, a tool kit, Q&A, and a tool of considerations for managers and employees. Employees also have an online toolkit to refer to. In addition, HR professionals are trained on flexible work arrangements so they are able to be resources for both managers and employees. Online seminars on work-life balance are accessible through the flexibility Web site as well.

Mutual respect and trust

Both managers and employees note the importance of mutual trust and respect in the success of flexible work arrangements. Especially when an employee is teleworking, the manager must trust that the employee is working as she would be if she were in the office, even though the manager cannot see the employee. Employees express concern that abuse of flexibility by a few employees could threaten the availability of flexibility for everyone. If an employee is abusing her flexible work arrangement, that

abuse must be addressed specifically with that employee, not as evidence that flexible work arrangements in general are not feasible.

> "You still need to meet your goals and expectations … it's not just a free for all. One bad apple ruins the whole thing … you really just have to be mindful of that." — *Administrative Assistant*

> "You have to trust your people and use the technology … but not micromanage because that's unhealthy not only for the employee but also for you as a manager." — *Manager*

Establishing expectations

Many employees who utilize a flexible work arrangement see this as a privilege and put in extra effort to ensure they can continue to work in this way. In some cases, hourly employees are working more hours than they're acknowledging to their manager — willing to give more to P&G because of their flexible work arrangement. However, while managers appreciate the extra effort and high commitment, careful attention to managing schedules is an important part of P&G flexibility management as unauthorized overtime could pose a liability for the company.

Many teleworkers indicate that they are more productive than when they were in the office — there are fewer distractions at home, and they spend less time socializing. It is important for the employee to have a designated space at home to work, separated from distractions. If other people live with the employee, those people have to understand that when the teleworker is working, she cannot be interrupted.

> "When I come into the office, I probably get about half the work done that I do when I'm at home." — *Consumer Relations Representative*

> "It's important that your family understands that when you're working from home, you're not really there." — *Administrative Assistant*

Challenges/Barriers

Management support

P&G employees recognize that even with the best policies in place, flexible work arrangements won't succeed without the support of managers and senior leaders. Support for flexibility among managers varies. There are some in management who "just don't get it" and continue to be skeptical about flexible work arrangements and employees teleworking. Successful pilots have gone a long way in addressing these concerns, but shifting the P&G culture takes time and perseverance. Some managers are reluctant to believe that employees can be productive when they're not working at a P&G location or are resistant to using instant messaging technology or e-mail when looking for an employee.

Viewing flexibility as a business tool, not an entitlement

Some managers may believe that they have to approve all requests for a flexible work arrangement, when in fact they should deny those requests that will be detrimental to the business. Recently implemented manager training includes discussion of flexibility as a business tool and addresses the issue of evaluating requests. If a requested flexible work arrangement would be detrimental to the

business, managers are advised to consider modification of the request before denying it outright; in these situations, it's important to be creative and open to compromise.

> "It's important for managers to understand the policies, and also know how to say no to people. Managers ought to creatively try to think about other options before you say no. However, there will be cases where we can't do it." — *Manager*

Managers express concern that, once implemented, employees will see flexibility as an entitlement and it will be difficult for a manager to get employees to come into the P&G location on days they don't usually come into the office. Flexible work arrangements are provided at the discretion of the business unit and can be discontinued if the arrangements are no longer working or manageable given business needs. However, managers are discouraged from requesting changes to an employee's schedule on a regular or frequent basis. At the same time, employees are asked to remain flexible enough to come into the office on occasion, as necessary. Managers and employees also regularly assess the arrangement to ensure that it is meeting business and employee needs.

> "Sometimes we have to remind them that part of the job is to come in for meetings."
> — *Manager*

Implications/Considerations for Other Employers

Ultimately, each flexible work arrangement should benefit the individual employee, the team and P&G. While P&G encourages managers to support flexibility, the approval of a flexible work arrangement is at the discretion of the manager; arrangements that are detrimental to the business should not be approved, and arrangements that benefit the business should be encouraged.

It is important to have systems in place to track utilization and measure the benefits of flexibility for P&G — in terms of attracting, retaining and engaging employees. Data supporting the business case for flexibility go a long way in growing any flexibility initiative.

Overall, flexible work arrangements and occasional flexibility contribute to a win-win situation for employees and for P&G. Employees value their arrangements and are productive, engaged and more likely to stay at the company. P&G is saving money on real estate and a decreased need to hire and train employees. Customers are benefiting from interacting with P&G employees who are more satisfied with their jobs and more available to address inquiries. While not without challenges, the flexibility in how, when and where work gets done by P&G employees has many benefits.

SURVEY FINDINGS

Workplace Flexibility Defined

In the survey, we explored three different categories of flexibility use: formal flexible work arrangements, use of flexibility on an occasional basis and other time-off strategies. Formal work arrangements are those in which there is an agreement between the employer and employee as to the specific requirements the employee must follow, such as for teleworking or part-time work. Flexibility on an occasional basis occurs when employees, with their manager's approval, may change their hours of work in order to attend to a personal matter, such as leaving work early for a doctor's appointment. Other time-off strategies include ways employees use sick, vacation and unpaid time personnel policies, such as the ability to use sick time in order to care for a sick family member.

For the purposes of this study, we inquired about all three categories of flexibility — that is, formal, occasional and other time-off strategies. We discover that employees select the number and types of options to build their own personal mosaic that best meets their needs. The types and number of flexibility options that employees use have an impact on their connection to their workplace and their personal well-being. Gender and age have some influence on these patterns of flexibility use and its impact.

Use of Flexibility

In Table 1, we show the frequency of use for each type of flexibility for the study population and by gender. More than three-fourths use an occasional flexibility option, and two-thirds or more use some form of formal flexibility and time-off strategies.

Table 1: Use of Flexibility and Time-Off Strategies: Percent Respondents

		Total	Men	Women	
Formal	Flextime — set schedule	30%	25%	32%	*
	Compressed workweek	23%	17%	25%	*
	Part time	11%	9%	13%	
	Flextime — can change on daily basis	13%	16%	12%	
	Teleworking^	9%	4%	11%	*
	Job share	1%	1%	1%	
	Any Formal	67%	57%	72%	*
Occasional	Occasionally adjust work hours for personal/family matters	55%	44%	60%	*
	Take paid time off on short notice (< one week)	39%	44%	38%	
	Trade shifts with co-worker for personal/family matters	35%	26%	39%	*
	Take time off during the workday to take care of personal/family matters	35%	23%	39%	*
	Any Occasional	78%	71%	81%	*
Time Off	Use vacation time in hourly or partial-day increments	52%	49%	53%	
	Take extra time off without pay beyond vacation and personal days	35%	41%	31%	*
	Use sick time in hourly or partial day increments	23%	15%	26%	*
	Use paid sick time to care for a sick child	14%	12%	15%	
	Use paid sick time to care for a sick family member^	11%	10%	12%	
	Any Time Off	69%	71%	67%	

^ One of the five companies did not include this flexibility type in its survey.

* Difference between men and women significant, p < .05.

In Table 2, we see that respondents are most likely to use several types of occasional flexibility. Using vacation time in partial increments is also an often-used time-off strategy, and flextime (either on a set or potentially changing schedule) is the most frequently used formal arrangement (41 percent).

Table 2: Use of Formal Flexibility, Occasional Flexibility and Time-Off Strategies Sorted by Frequency of Use

	Total	Men	Women
Occasionally adjust work hours for personal/family matters	55%	44%	60%
Use vacation time in hourly or partial day increments	52%	49%	53%
Flextime	41%	38%	42%
Take paid time off on short notice (< one week)	39%	44%	38%
Trade shifts with co-worker for personal/family matters	35%	26%	39%
Take time off during the workday to take care of personal/family matters	35%	23%	39%
Take extra time off without pay beyond vacation and personal days	35%	41%	31%
Compressed workweek	23%	17%	25%
Use sick time in hourly or partial day increments	23%	15%	26%
Part time	11%	9%	13%
Use paid sick time to care for a sick child	14%	12%	15%
Teleworking^	9%	4%	11%
Use paid sick time to care for sick family member^	11%	10%	12%
Job share	1%	1%	1%

^ One of the five companies did not include this flexibility type in its survey.

> "I have a workday off to deal with personal and family matters. That could not be addressed if I was working five eight-hour days." — *Male, formal, compressed workweek*

Gender differences in use of flexibility
Women are more likely than men to use *formal* flexible work arrangements (72 percent vs. 57 percent) and *occasional* flexibility options (81 percent vs. 71 percent), but they are equally likely to use other time-off strategies.

Examining specific formal types of flexible work arrangements by gender, women are more likely than men to be using flextime with a set schedule (32 percent vs. 25 percent), a compressed workweek (25 percent vs. 17 percent) and teleworking (11 percent vs. 4 percent).

Looking at types of occasional flexibility, women are more likely than men to sometimes adjust their hours for family and personal matters (60 percent vs. 44 percent), trade shifts with a co-worker for personal/family matters (39 percent vs. 26 percent), and take time off during the day for family and personal matters (39 percent vs. 23 percent).

Women are more likely than men to use the time-off strategy of using sick time in hourly or partial day increments (26 percent vs. 15 percent), while men are more likely to take extra time off without pay

beyond vacation and personal days (41 percent vs. 31 percent). There are no other gender differences with regard to other types of time-off strategies.

> "The flexibility at the company has allowed me to work while raising my children … Once they were school age, I worked a combination of days and nights so I could assist in their classrooms on my days off and go to their band concerts or night activities on my nights off." — *Female, formal, flextime — set schedule*

Age differences in use of flexibility

There are differences in which types of flexibility are used by certain age groups (see Table 3). The youngest respondents (younger than 25 years old) are less likely than older respondents to make use of formal types of flexibility, specifically flextime with a set schedule, compressed workweeks and teleworking. However, in addition to those ages 25 to 34, the youngest respondents are more likely to make use of trading shifts and use sick time in partial increments, an occasional type of flexibility and a time-off strategy.

The oldest respondents are more likely than younger respondents to use some types of formal flexibility, including flextime with a set schedule and teleworking.

Table 3: Likelihood of Using Flexibility by Age

	< 25	25–34	35–44	45–54	55+
Least likely	*Flextime — set *Compressed workweeks *Teleworking *Paid time off — short notice *Use partial vacation time			*Take time off during workday	*Take time off during workday
Most likely	*Trade shifts *Sick time in partial increments	*Trade shifts *Paid sick time for child *Sick time in partial increments	*Teleworking *Paid sick time for child	*Compressed workweeks	*Flextime — set *Teleworking *Use vacation in partial increments

Use of multiple flexibility options and time-off strategies

Across the sample of employees who use flexibility (formal, occasional or both): 63 percent use both a formal flexible work arrangement and occasional flexibility, 12 percent use only a formal flexible work arrangement, and 25 percent use flexibility only on an occasional basis (see Figure 1).

Figure 1: Use of Company Flexibility Programs by Flexibility Users
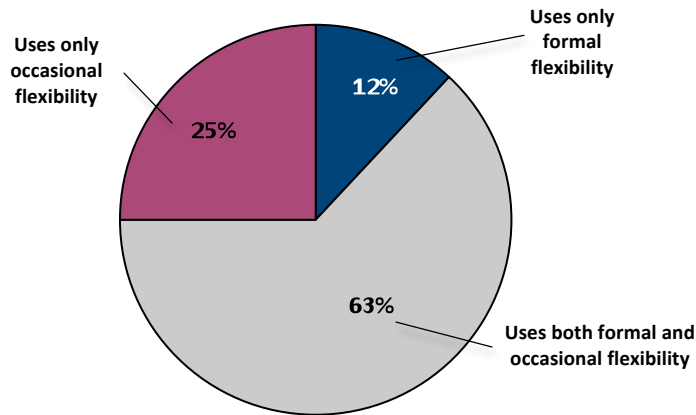
When we examine all of the respondents and their usage of time-off strategies in addition to formal and occasional flexibility, we see that respondents use an assortment of arrangements to adapt to their work and personal needs (see Table 4).

Examining different combinations of categories of flexibility, women are more likely than men to be using a formal and occasional flexibility option with a time-off strategy (45 percent vs. 35 percent).

Table 4: Use of Forms of Flexibility by Frequency of Use

	Total	Men	Women
Use formal, occasional and time off	42%	35%	45%
Use occasional and time off	17%	21%	14%
Use formal and occasional	14%	10%	16%
Use only formal	6%	6%	6%
Use formal and time off	5%	6%	4%
Use only occasional	5%	5%	5%
Use time off only	5%	9%	3%
Do not use any	6%	8%	6%

Most of the respondents use multiple types of flexibility or time-off strategies, with the average being 3.8. Across all types of flexibility and time-off strategies, women use 4.0 strategies compared to men, who use an average of 3.3. In Figure 2, one can see the variations of types of strategies used by gender.

Figure 2: Number of Flexibility Options Used by Gender
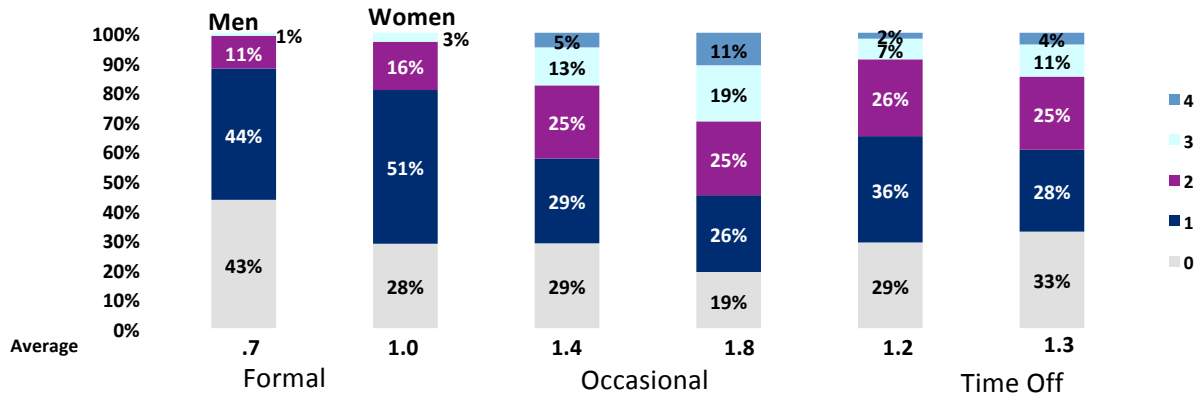
"I am able to go to appointments at doctors' offices and other places that only have hours during the day." — *Female, formal, flextime — set schedule, compressed workweek, telecommute*

Looking at the use of multiple flexibility options by age (see Figure 3), respondents ages 25 to 44 report using the highest number of flexibility types and time-off strategies compared to those younger and older.

For *formal* flexibility, the oldest respondents (ages 55 and older) are more likely than their younger counterparts to use multiple formal options.

Figure 3: Total Number of Flexibility and Time-Off Options by Age
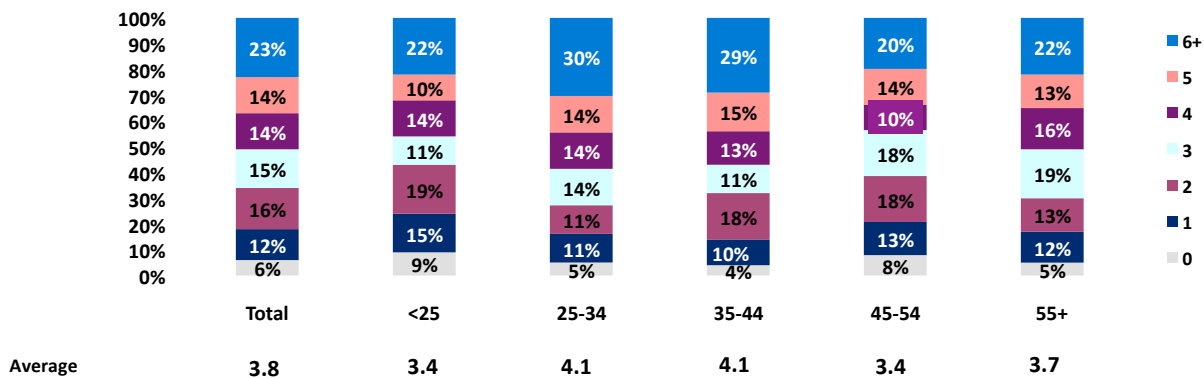
Does use of flexibility vary by family status or ethnicity?

There are a few other demographic differences among respondents using different categories of flexibility (see Table 5). There are no differences in use of flexibility by marital status, by whether or not the respondents have elder care responsibility, or by race and ethnicity. Employees using formal and

occasional flexibility options, however, are more likely than those not using flexibility to have child care responsibilities, especially for very young children and school-age children.

Table 5: Partner and Dependent Care Status by Flexibility

	Formal	Occasional	Not Using
Married/partnered	66%	59%	64%
Parent of child < 18	37%	38%	9%
Planning first child	8%	7%	9%
Ages of children			
< age 6	17%	15%	5%
6 to 14	20%	21%	6%
15 to 17	12%	11%	13%
Adult dependent	16%	18%	13%

Changing work schedules between full and part time
Full-time employees were asked whether or not they could arrange to work part time in their current positions, and part-time employees were asked if they could arrange to work full time. One-fourth (24 percent) of full-time employees report they could work part time, but most report they could not (39 percent) or that they do not know (38 percent). In contrast, three-fifths (62 percent) of part-time employees report they could switch to a full-time schedule, one-fifth (20 percent) reported they could not make that switch, and about one-fifth (18 percent) do not know.
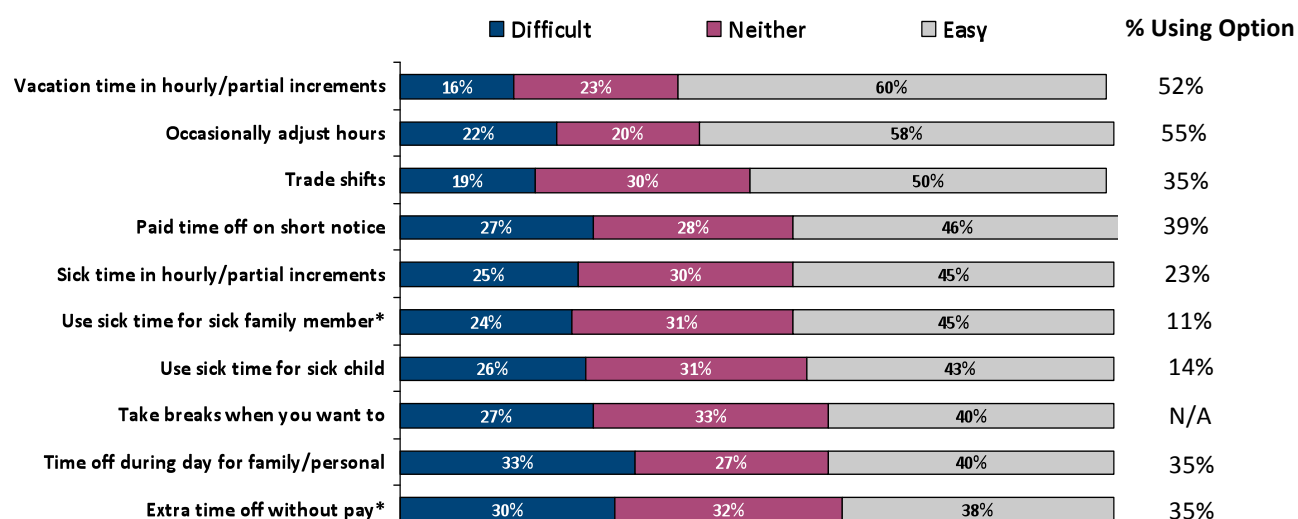
Ease or difficulty of accessing occasional flexibility and time-off strategies
Because occasional flexibility, as well as the use of time-off strategies, often requires obtaining permission and/or notifying others (one's supervisor, peers, HR), we wanted to know how difficult it is to use these options. We asked respondents about the relative ease or difficulty they have in taking advantage of various types of occasional flexibility and other time-off strategies. Results exclude those who responded that the type of flexibility did not apply to them.

As indicated in Figure 4, about three-fifths of respondents report it is "very easy" or "easy" to use vacation time in hourly or partial-day increments (60 percent) and to occasionally adjust work hours to take care of personal or family matters (58 percent). For the other types of time off, two-fifths or more of respondents report it is easy to use them.

Examining the amount of difficulty, one-fourth to one-third report having some difficulty obtaining most types of occasional flexibility and time off. They were most likely to report difficulty with obtaining time off during the day for family and personal matters (33 percent) and taking extra time off without pay beyond vacation and personal days (30 percent).

Figure 4: Ease of Use of Occasional Flexibility and Other Types of Time Off by All Employees

	■ Difficult	■ Neither	□ Easy	% Using Option
Vacation time in hourly/partial increments	16%	23%	60%	52%
Occasionally adjust hours	22%	20%	58%	55%
Trade shifts	19%	30%	50%	35%
Paid time off on short notice	27%	28%	46%	39%
Sick time in hourly/partial increments	25%	30%	45%	23%
Use sick time for sick family member*	24%	31%	45%	11%
Use sick time for sick child	26%	31%	43%	14%
Take breaks when you want to	27%	33%	40%	N/A
Time off during day for family/personal	33%	27%	40%	35%
Extra time off without pay*	30%	32%	38%	35%

* One of the five companies did not include this item.

Men in the study report much more difficulty using occasional flexibility and other time-off strategies than women, specifically trading shifts, occasionally adjusting work hours, taking time off during the workday, using sick time in partial increments, using sick time to care for sick children, using extra time off without pay beyond vacation and using personal days.

The youngest respondents are more easily able to trade shifts with co-workers, use sick time in partial-day increments, take extra time off without pay beyond vacation and personal days, and use paid sick time to care for a sick child.

> "If an employee requests a day off two weeks or more in advance, the administration should be able to plan for coverage in that time, whether by calling for temporary help or working the schedule around their absenteeism. I feel as though the administration finds it easier to just say no, rather than to try to work around it." — *Female, formal, flextime — changing schedule*

> "Rare requests for time off at the end of the day for appointments are denied because the management insists that two people may not be scheduled off at once, even though the responsibilities are not interchangeable." — *Female, no flex*

Use of vacation
We also wanted to examine respondents' use of vacation time, which is the typical way in which employees in the United States get time off. While nine out of 10 (90 percent) employee respondents are able to take all of their vacation days without forfeiting them at the end of the year, one-tenth (10 percent) of employees are unable to do so.

There are no gender differences with regard to use of vacation, but there are age differences. Younger workers are less likely to take all of their vacation days each year than older workers (76 percent younger than 25 vs. 90 percent overall). Employees using rotating shifts and split shifts are less likely than others to use all of their vacation time.

Those who do not take all of their vacation time are more likely to report more difficulty using all of the occasional flexibility and other time-off options. They also report less control over their work schedules than others.

> "Flex hours, shift change, and one-day or half-day vacations are excellent benefits
> to assist in managing a busy home life." — *Female, formal, flextime — set schedule*

Support for Flexibility

Where do employees get information about flexibility?
Information about flexibility policies and procedures comes from a number of sources — both through formal channels and from other employees. We asked respondents about their sources of flexibility information (see Figure 5). For those who have received information about flexibility, the most likely source has been their manager (62 percent) followed by other employees who have used flexible work arrangements (51 percent). Other likely sources of information are the company intranet (45 percent) and HR (44 percent).

Some of these sources of information vary by the category of flexibility used by the respondent. While all employees are equally likely to have received information from co-workers using flexibility, respondents using formal flexibility are more likely than other respondents to have received information from several formal communication channels, including managers, HR, trainings, company intranet, etc.

Figure 5: Sources of Information about Flexibility among Those
Receiving Information by Flexibility Type
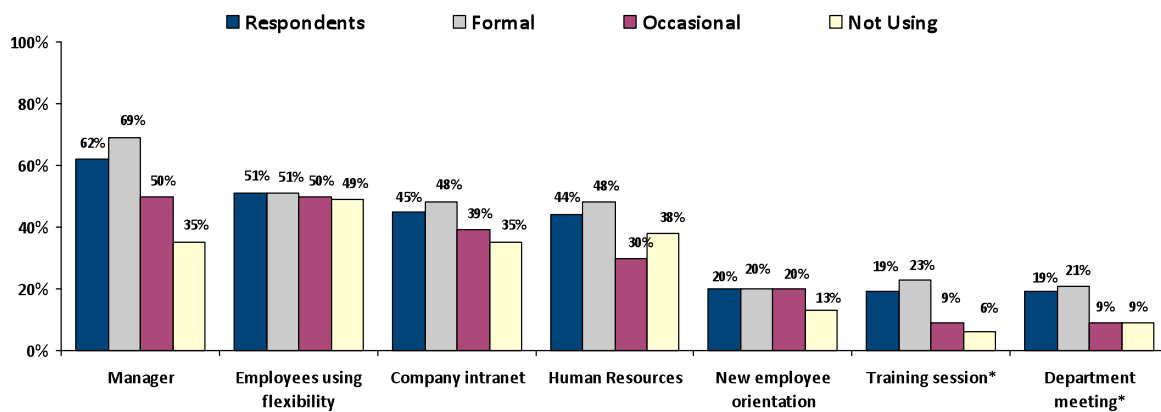
* One of the five companies did not have this option as a source.

"Information isn't openly available, and it's hard to get a flexible schedule." — *Female, occasional*

Manager access to flexibility information
As seen above, most respondents rely on their managers for information about flexibility, so manager access to flexibility information is important. We asked managers whether or not they have the information they need to assist their employees with their working flexibly. Two-thirds (65 percent) of managers agree they have the information they need, and an additional one-fourth (23 percent) have the information at least to some extent. One-tenth (12 percent), however, do not have the information they need to assist their employees with working flexibly.

Examining the managers who supervise employees who use flexibility, nine out of 10 have the information they need, at least to some extent (73 percent yes and 20 percent to some extent).

Company support for flexibility
While flexibility policies and options may be formalized in employee handbooks, the culture and norms of organizations tend to drive the ability of employees to use flexibility. Respondents were asked how supportive various constituents in their companies are toward the use of flexibility (see Figure 6).

The majority of respondents agree that various constituents in their organizations are supportive of flexibility — two-thirds or more agree their managers are supportive of their use of flexibility (70 percent), their peers are supportive of their use of flexibility (68 percent), and their peers' workload is not heavier due to their use of flexibility (66 percent). More than half of respondents also agree that company leadership is supportive of the use of flexibility by nonexempt, hourly workers (59 percent).

Examining the data by gender, the results show that for all flexibility support items, women have more positive ratings than men.

The oldest respondents, compared to respondents overall, are more likely to agree that company leadership is supportive of flexibility by hourly and nonexempt workers (71 percent vs. 59 percent) and that their manager is supportive of their use of flexibility (78 percent vs. 70 percent).

Figure 6: Flexibility Support Items
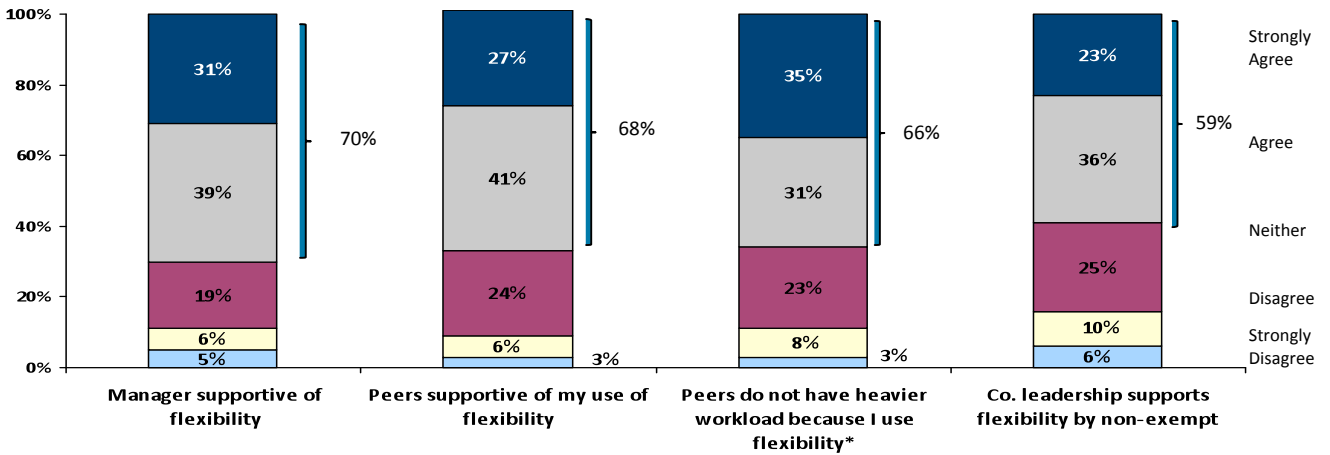
* Scoring of item has been reversed from survey.

"My manager is very supportive; she trusts me to get my work done and allows me the flexibility to handle both work and home commitments." — *Female, formal, flextime — set schedule*

"Our manager is very receptive to flextime. I believe he understands it makes the workplace more positive and helps our clients in the end." — *Gender not identified, formal, flextime*

"Everyone here seems to work flexibly, which allows us all to be flexible." — *Female, formal, flextime — changing schedule*

Flexibility users' views of support for flexibility
Employees using formal flexibility are more likely than those who use only occasional flexibility and those not using any flexibility to report higher ratings of supportiveness on all flexibility items (see Figure 7). Employees not using any flexibility are less likely than those using occasional flexibility to report their company leadership is supportive of flexibility use by hourly and nonexempt employees.

Figure 7: Percent Who "Strongly Agree" and "Agree" with Support for Flexibility by Type of Flexibility
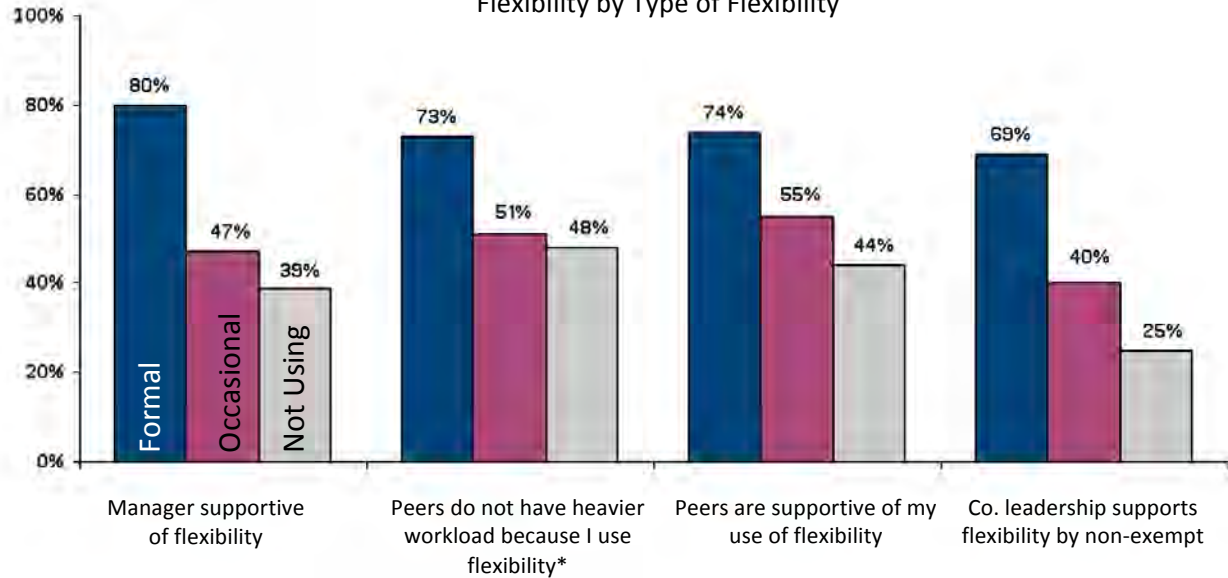
* Scoring of item has been reversed from survey.

"The company is very open to us flexing our time, to meet both the company needs and our personal needs." — *Female, formal, flextime — changing schedule, compressed workweek*

Overtime and extra hours

We also asked respondents about overtime practices and their perceptions of the impact of not working extra hours. About half (54 percent) of employees are "rarely or never" required to work paid overtime or unpaid extra hours with little or no advance notice, but one in five (20 percent) employees are required to do so at least several times a month.

Men are more likely than women to report being required to work paid overtime or extra hours (40 percent "at least once a month" or more vs. 24 percent).

Most respondents report they can refuse to work extra hours without fear of losing their jobs (see Figure 8). The majority report they can refuse extra hours without an impact on their advancement and that managers do not assume they will work overtime without first asking. Approximately one-fifth report that they do have to work extra hours when asked or it could hurt their job advancement or job retention and that their manager assumes they will work extra hours without asking them first.

Women are more likely than men to report these overtime concerns. In addition, there are some age differences, with respondents ages 45 to 54 being more likely to report all three overtime concerns.

Employees using formal flexibility are more likely than those who use only occasional flexibility and those not using any flexibility to agree that extra hours do not have an impact on their job or advancement and their managers do not assume they will work extra without first asking.

Figure 8: Working Extra Hours
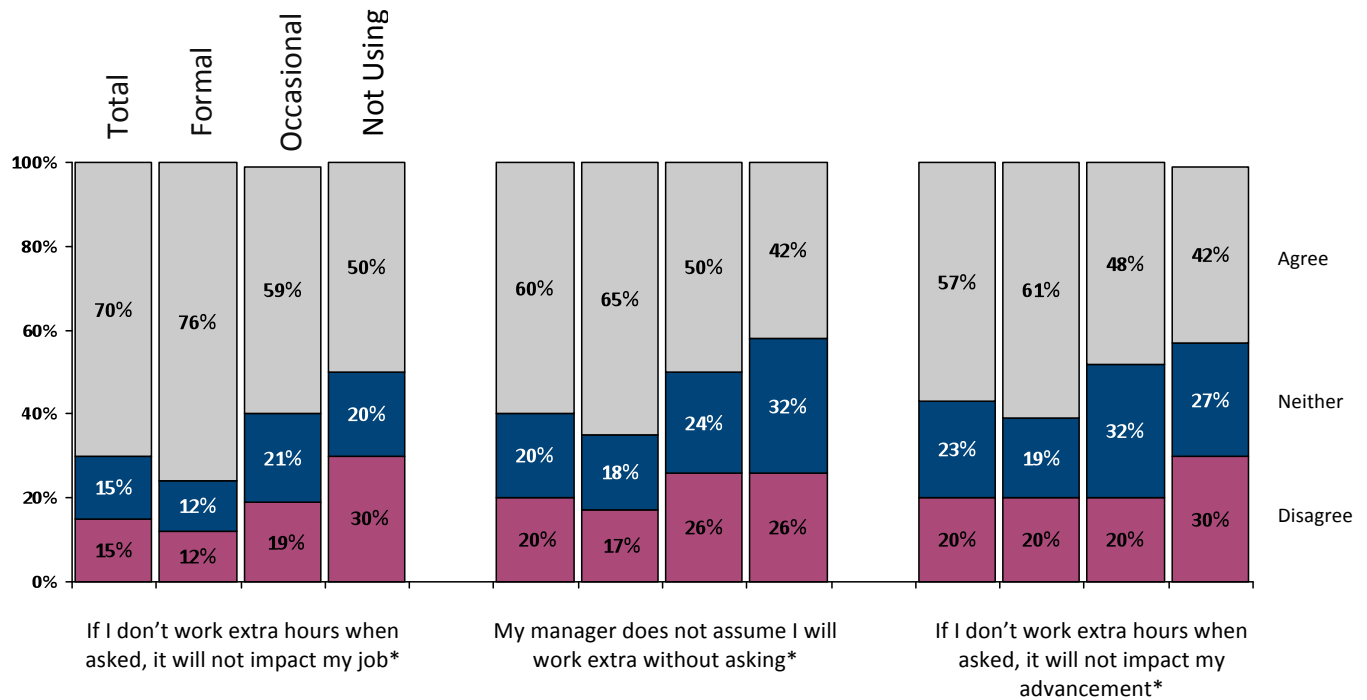
* Scoring of item has been reversed from survey.

"I am required to work too many hours for my position … ." — *Female, formal, telework, part time*

Barriers to flexibility

In addition to company culture and managers' attitudes having an impact on the availability of formal and occasional flexibility and the ease with which employees can avail themselves of these policies and options, other factors often are found to be stumbling blocks to the use of flexibility. We asked both employees and managers about these barriers, and we asked to them to indicate from a list of 12 barriers the top two significant barriers, if any, to flexibility. Employees were asked to rate the barriers with respect to their own experiences, and managers were asked to rate the barriers from the perspective of providing employees with the flexibility that they need.

Among employees using different categories of flexibility as well as managers, there is a great deal of agreement as to the most significant barriers (see Table 6). For all groups, the nature of the work and workload are in the top three barriers. Company policies are a top barrier for employees regardless of their use of flexibility. Manager/supervisor attitudes are also a top barrier for employees using occasional flexibility.

For managers, the need to provide on-site coverage for customers is a top barrier to employees' ability to use flexibility.

Table 6: Barriers to Flexibility by Employee Flexibility and Manager

Formal	Occasional	Not Using	Manager Perceptions
Nature of the work (36%)	Nature of the work (44%)	Nature of the work (40%)	Nature of the work (52%)
Workload (26%)	Manager/supervisor attitudes (26%)	Workload (29%)	Workload (26%)
Company policies (24%)	Workload (23%) Company policies (23%)	Company policies (29%)	Need to provide on-site coverage for customers (21%)

"As a call center representative our schedules are very rigid, not allowing for much more than normal scheduled breaks." — *Male, no flex*

"The nature of this business is to care for children. With staff taking a lot of time off, parents question commitment to quality care." — *Female, manager*

"There needs to be coverage available that does not create overtime or extra expense for the company." — *Male, manager*

Why are some employees not using flexibility?

As mentioned earlier, a comparison sample of employees not using any flexibility also participated in the study, and they make up about one-tenth of the respondents. We asked them the main reason they were not using the flexibility options offered by their organizations (see Figure 9). The most common reasons given by these respondents are that the flexible work options are not available to individuals in their positions (39 percent) and that they are satisfied with their current schedule (33 percent). One-tenth or fewer give other reasons.

Figure 9: Main Reason Not Using Any Flexibility Option

Other 5%

Prefer current schedule 33%

Considering requesting flexibility 3%

Could not afford salary/ benefits reduction 5%

Could hurt advancement 1%

Not accepted in business unit 5%

Not aware of flex options 9%

Flexible work options are not available to me 39%
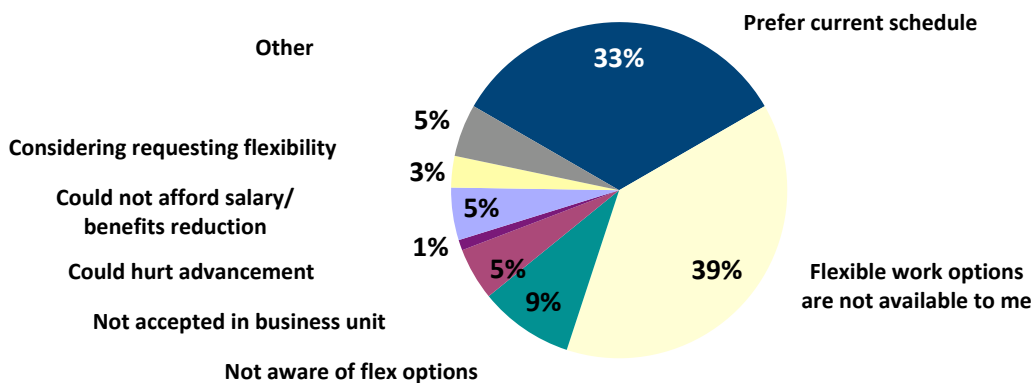
"It depends on what department you are in as far as flexibility, which is fine because needs are different, but I believe [flexibility] should be more consistent." — *Female, formal, flextime — set schedule*

"[Flexible work options are] not available in my department." — *Male, no flex*

For those not using flexibility, do they have an interest?
Most (86 percent) of the respondents currently not using flexibility would be interested in using flexibility if it were offered to them without penalty, including almost half (45 percent) who are "very interested." There are no differences between men and women or by age of respondent.

Flexibility Compatibility

Employees' perceptions of work schedules
In order to examine whether work schedules are in synch with employee needs, we asked respondents whether they have the control they need over their schedules, if they work their preferred work shift and whether they are satisfied with their work schedule.

Respondents using formal flexibility are more likely to report schedules are in synch with their needs: they have the control they need over their work schedule, they have their preferred work shift, and they are satisfied with their work schedule as compared to those using only occasional flexibility or not using any flexibility (see Table 7).

Looking within the categories of formal, occasional or no flexibility, there are no gender differences, but there are some age differences. Younger respondents (under 25 years old) using formal flexible work arrangements are less likely than older respondents using formal arrangements to agree they have the shift they prefer and they are satisfied with their work schedules.

It is also worth noting that employees on different shifts respond differently to these items. Employees on the regular daytime shift are more likely than those on other shifts to agree they work their preferred shifts and have as much control as they need. Respondents on rotating and split shifts report the least satisfaction with their work schedule.

Table 7: Perceptions of Work Schedules by Flexibility

	Formal	Occasional	Not Using
Have as much control as needed over work schedule	71%	35%	40%
Have the preferred work shift	82%	57%	63%
Satisfaction with work schedule*	87%	69%	61%

*Item not included for one company survey.

We also examined the results by specific types of formal flexibility and found that generally employees using compressed workweeks report the highest agreement with these items (see Table 8).

Table 8: Work Arrangements by Formal Flexibility Types

	Formal	Flextime	Flextime — Set	Flextime — Different	Compress	Telework	Part Time
Have as much control as needed over work schedule	71%	69%	70%	70%	82%	78%	66%
Have the preferred work shift	82%	80%	83%	75%	89%	87%	77%
Satisfaction with work schedule*	87%	88%	89%	90%	91%	89%	79%

*Item not included for one company survey.

"I feel grateful to be able to work a compressed workweek and feel I have a better work-life balance!" — *Female, compressed workweek*

"My job gives me the opportunity to make changes in my schedule depending on my school schedule." — *Female, formal, part time*

Flexibility "fit": who has the flexibility they need?
While companies may provide flexibility policies and options, the extent to which these policies and options fit the needs of employees is important to the realization of benefits employers expect by providing these policies and options. Respondents using formal flexibility are more likely to report they have the flexibility they need in their work schedule to manage work, family and personal responsibilities, compared to those using only occasional flexibility or not using any flexibility (74 percent formal vs. 47 percent occasional and 39 percent not using flex).

The types of flexibility options used and the number of flexibility arrangements are related to employees' reporting they have the flexibility they need to manage their work, family and personal roles. The use of flextime, compressed workweeks, telework and part time has a positive influence on employees' reporting their ability to manage multiple roles and responsibilities. The higher the number of formal, occasional and time-off strategies employees use, the more likely they are to report they have the flexibility they need to manage their multiple roles.

Employees on the regular daytime shift are more likely than those on other shifts to agree they have the flexibility they need to address work, family and personal responsibilities.

As might be expected, the degree of support from company leadership, managers and peers has a positive impact on whether employees have the flexibility they need. The greater the support, the more likely they are to report they have the flexibility they need in their work schedules. Similarly, the ease with which respondents can take advantage of occasional and time-off strategies also positively impacts employees' reports of having the flexibility they need.

The oldest respondents (ages 55 or older) are more likely to agree than younger respondents that they have the flexibility they need in their work schedule to manage multiple roles, while those with elder care responsibilities are less likely than those without this responsibility to report they have the flexibility they need in their work schedule.

> "My company works very hard with me to allow me the flexibility I need to balance work with everyday life. I am extremely appreciative of the hard work and time they put in to allow me options in flexibility that other companies do not." — *Male, formal, flextime — set schedule*

Satisfaction with the opportunity to work flexibly
Employees' perceptions of the opportunities for flexibility are an important indicator of whether the company culture supports flexibility. We asked respondents if they are satisfied with their opportunities to work flexibly at their organizations, and two-thirds (66 percent) are satisfied (see Figure 10). The level of satisfaction is highest for those who use their company's formal flexible work arrangements (80 percent) and lowest for those who do not currently use any flexibility offerings (26 percent). Two-fifths (44 percent) of those who use occasional flexibility are satisfied with the opportunities to work flexibly.

Women and men who use different categories of flexibility are equally satisfied with opportunities to work flexibly.

When examining the satisfaction with opportunities for flexibility by age, respondents ages 25 to 34 are the least satisfied; this is especially true of those using formal flexible arrangements.

Figure 10: Satisfaction with Opportunities for Flexibility by Gender
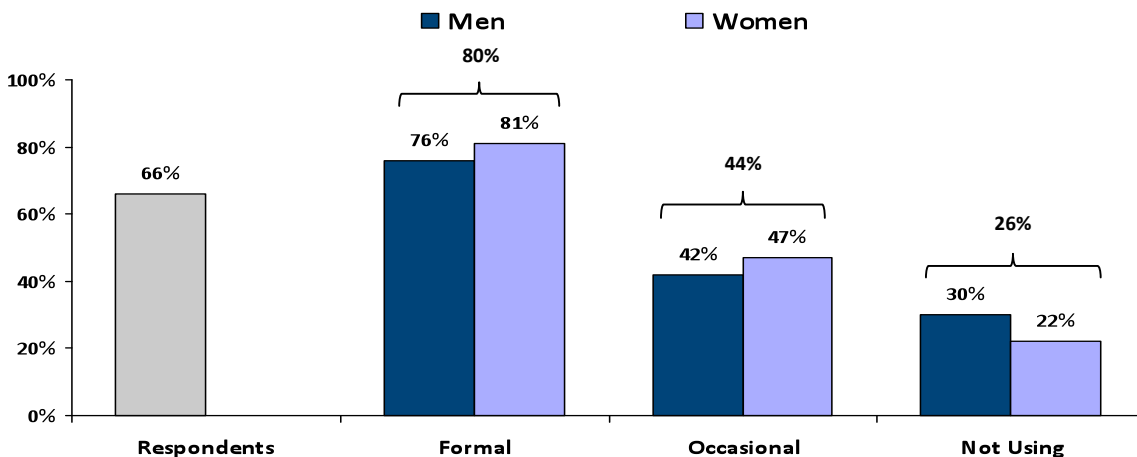
While most employees who are using a formal flexible arrangement are satisfied with their opportunities to work flexibly, we wanted to find out whether respondents using specific types of formal arrangements are more satisfied with their opportunities. For formal flexible options, the use of

flextime, compressed workweeks, telework and part time all contribute to increased satisfaction with the opportunities to work flexibly. Those using a compressed workweek are the most likely to be satisfied with the opportunities to work flexibly at the organizations (see Figure 11). The number of options used also influences satisfaction; as the number of formal options one uses increases, so does the level of satisfaction with the opportunities.

Figure 11: Percent "Very Satisfied" and "Satisfied" with the Opportunities to Work Flexibly by Type of Flexibility Using*
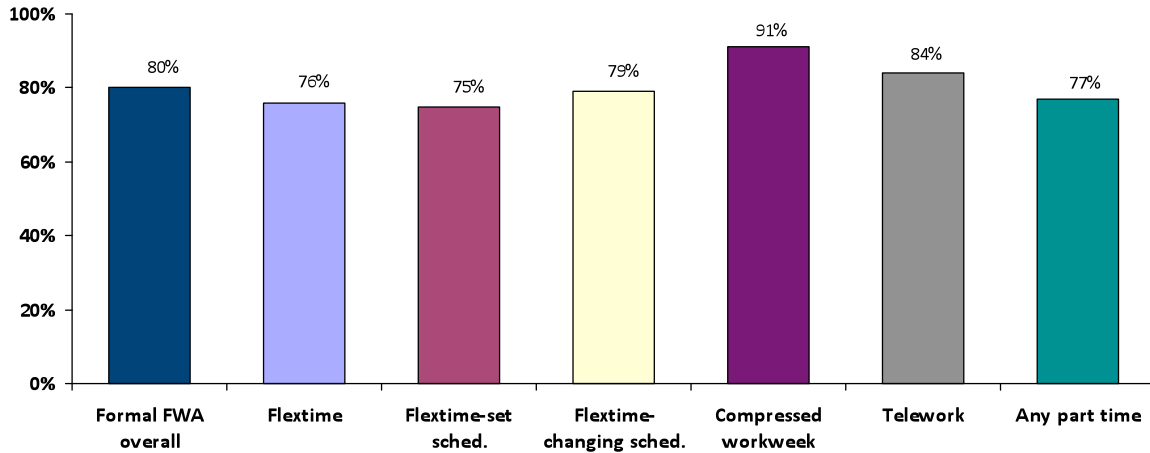
* Respondents may use more than one arrangement.

Examining those who use occasional flexibility, respondents who adjust their work hours for personal reasons are significantly more likely to be satisfied with opportunities for flexibility. In addition, the more occasional options one uses, the greater the satisfaction.

Because many respondents use formal flexibility in addition to their use of occasional flexibility, we also examined these data by including those individuals who also make use of a formal flexible work arrangement. As shown in Figure 12, satisfaction is significantly higher when occasional flexibility is coupled with a formal arrangement.

Figure 12: Percent "Very Satisfied" and "Satisfied" with the Opportunities to Work Flexibly by Type of Occasional Flexibility Using
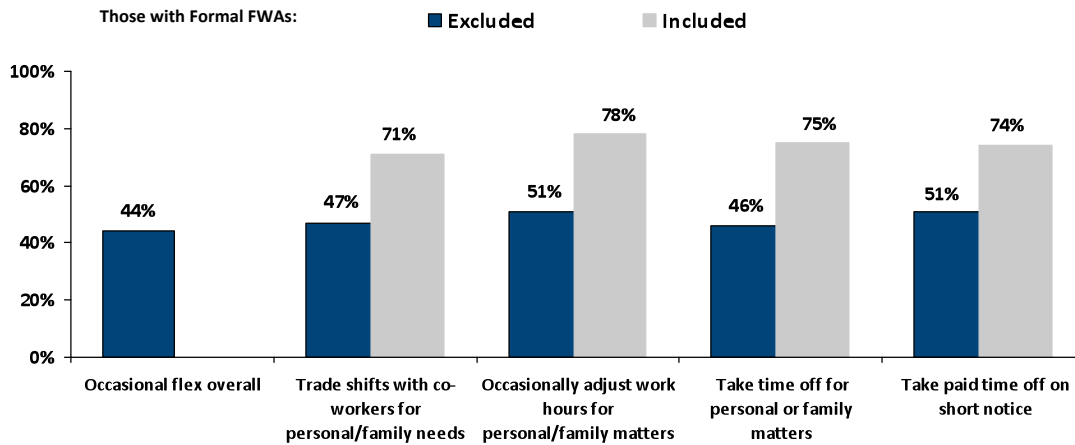
"It is one of the best opportunities I have had with this company since I began. It has been wonderful to have a day off to help around the house and spend time with the kids." — *Male, formal, compressed workweek*

"The compressed workweek allows me to help my family in ways I could not have otherwise." — *Female, formal, compressed workweek*

The ease of use of flexibility options and the support for flexibility from various company constituents are also related to satisfaction with their company's flexibility opportunities. Respondents who have an easier time accessing occasional flexibility and time-off strategies are more satisfied than those having difficulty accessing these options. Respondents reporting support from company leadership and managers for flexibility are more likely to be satisfied with opportunities than those who find the environment less supportive.

Gender influences whether one is satisfied with the flexibility opportunities provided by one's company — women are more likely than men to be satisfied. Age also is a determining factor — respondents ages 25 to 34 are less satisfied with the opportunities provided than others. Also, respondents with elder care responsibilities are less satisfied with flexibility opportunities provided.

"[I am satisfied with the] ability to have whatever hours and breaks I choose, the ability to give my hours away and take hours from someone else." — *Female, formal, flextime — both*

"I'm thrilled with my current schedule and appreciate having the alternative options for my health. I feel valued as an employee to have this opportunity." — *Female, formal, part time*

Flexibility Impacts

What are the business and personal impacts of flexibility?
According to most flexibility users and managers of employees using flexibility, flexibility has a positive influence on several business and personal outcomes: in particular, employees' ability to meet personal/family responsibilities, productivity, measures of work-life effectiveness, and customer service (see Table 9). It is also important to note that one-tenth or fewer report flexibility has a negative impact on any of these business or personal factors.

For employees using flexibility, women report even more positive influences than their male counterparts.

Table 9: Impacts of Flexibility by Flexibility Users and Managers of Flexibility Users

Positive Influences on Business and Employees' Personal Lives (Percentage "Very Positive" and "Positive")	Flexibility Users Self Report	Managers of Flexibility Users
Ability to meet personal/family responsibilities	85%	92%
Team productivity and effectiveness	80%	79%
Overall satisfaction working at company	81%	88%
Responsiveness	75%	74%
Level of customer service	70%	71%
Level of stress, health and well-being	69%	77%
Absenteeism	64%	74%

"This opportunity is key to balance people's lives. By offering more flexibility, the company should see results in productivity and experience more employee loyalty." — *Female, formal, flextime — set schedule, compressed*

"No traffic; fewer distractions/interruptions; more productive — able to concentrate/focus on projects for longer periods of time in order to complete tasks on time (or ahead of schedule)." — *Female, formal, flextime — changing schedule*

Does flexibility help companies recruit?
Most (83 percent) of the respondents who have joined their companies in the last two years report that flexibility was either "very important" (43 percent) or "somewhat important" (40 percent) in their decision to take a job with the company — which suggests that the presence of flexibility options assists companies in recruiting talent (see Figure 13). Managers concur — four-fifths (79 percent) report that their ability to recruit talented employees is enhanced by opportunities to work flexibly, including about two-fifths (45 percent) who report it is enhanced "a great deal" or "very much" (see Figure 14). Only one-tenth (11 percent) report flexibility did not have any impact recruitment.

The importance of flexibility to joining their companies does vary by the level of flexibility being used by the employee once they join. Those who recently joined and are using formal flexibility are more likely to report flexibility was "very important" (57 percent vs. 27 percent occasional and 28 percent not using flexibility) in their decision-making process.

There is no gender difference in the influence of flexibility on recruitment, but there are differences by age with regard to the importance of the role flexibility had in their joining their companies. Contrary to expectations, the youngest respondents are least likely to report flexibility was "very important" in their decision to join the company, and those over the age of 44 are the most likely to report it was "very important."

Figure 13: Employees' Ratings — Importance of Flexibility in Decision to Take a Job with Company*

Very Important 43%
Somewhat Important 40%
Not Important 17%
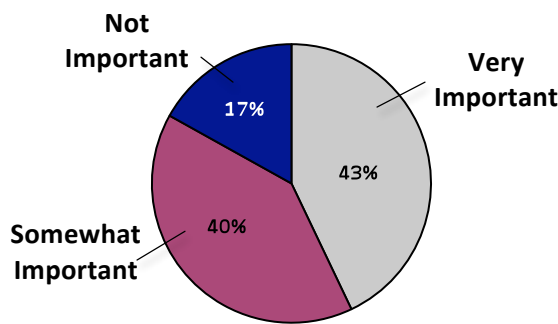
* Among those who have joined in the last two years.

Figure 14: Supervisors' Ratings — Recruitment of Talented Employees Is Enhanced by Opportunities to Work Flexibly

Not At All 11%
A Great Deal 22%
Very Much 23%
Somewhat 34%
Not Much 10%
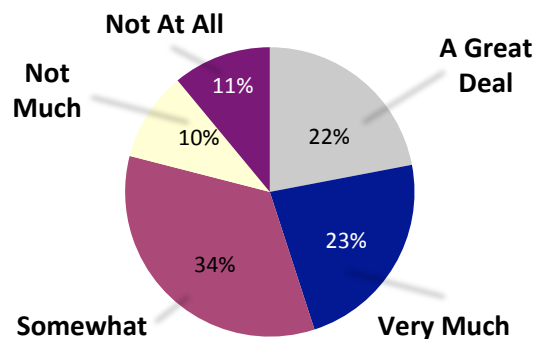
"Flex work has been the most critical component responsible for my success in both my personal and professional life. I would not be able to do what I do without it." — *Female, formal, flextime — changing schedule*

What impact does flexibility have on employee engagement?
Flexibility does make a difference to employees' engagement. Engagement scores are highest for respondents using formal flexibility compared to others, and the more types of formal flexibility they use, the more engaged they are.[8] Types of formal flexibility that have the most impact are flextime, compressed workweeks and telework.

Engagement is also higher among respondents who occasionally adjust their work hours to take care of personal or family matters as well as those who report it is easier for them to take advantage of occasional flexibility and time-off opportunities.

The demographics do not have an influence on engagement — there are no engagement score differences by gender, age, or among those with child or elder care responsibilities.

Whether respondents feel they have the flexibility they need in their work schedule to manage their work and personal responsibilities is also significantly related to engagement (see Figure 15).

Engagement is 55 percent higher for employees who have the flexibility they need compared to those who do not.

Figure 15: Engagement by Having the Flexibility Needed to Manage
Work, Personal and Family Responsibilities
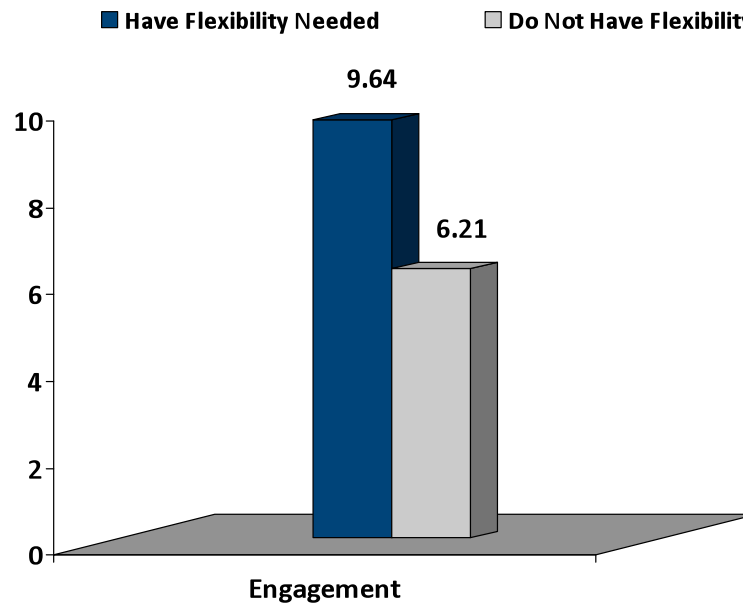
"The company truly cares about its employees and truly gives the employees a listening ear and wants success for the company team. I really believe the company is all for the win-win situation in all aspects of the company. I love the company, and I am so honored to be a part of such a wonderfully positive organization!" — *Female, formal, telework*

Is flexibility an effective retention tool?
The question from a business perspective is whether or not flexibility plays a role in reducing turnover costs and ensuring a stable workforce. We examined three measures of retention: whether the opportunity to work flexibly impacts respondents' decisions to remain at their company, whether the loss of flexibility options would be a reason to seek a work opportunity with another organization, and the relationship between having adequate flexibility and the number of years respondents expect to remain at their organizations.

More than four-fifths (83 percent) of employees report the opportunity to work flexibly is at least somewhat important in their intention to stay with their company. Of employees with a formal flexibility arrangement, 87 percent report it is at least somewhat important, and more than one-half (54 percent) report flexibility is "very important."

The opportunity to work flexibly is especially important to intention to stay for respondents using part-time arrangements and those using telework arrangements (see Figure 16).

Figure 16: Employees — Importance of Formal Flexibility in Intention to Stay
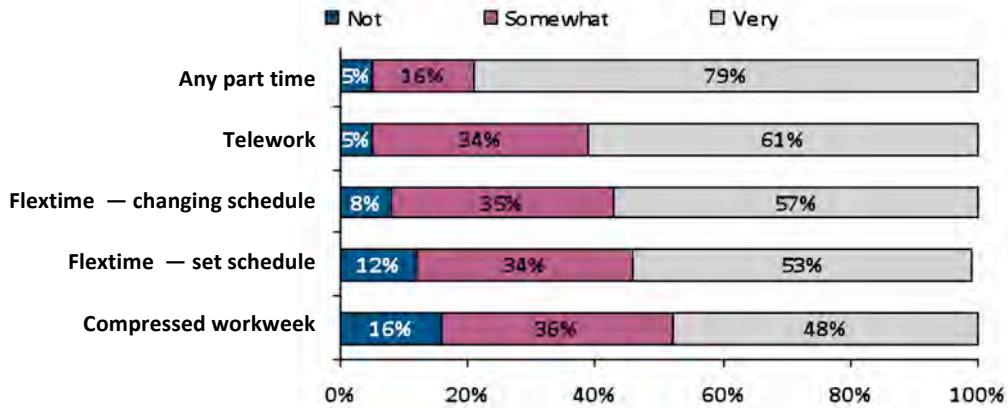
Flexibility is important to the retention of those using occasional flexibility and those not using flexibility; it plays a significant role for both groups (78 percent important and 66 percent).

Women are more likely than men to report the opportunity to work flexibly is important to them, especially "very important" (52 percent vs. 34 percent). Respondents ages 25 to 34 are more likely than younger and older respondents to report that flexibility is "very important" to their retention at their companies.

More than four-fifths (85 percent) of managers report that opportunities to work flexibly enhance at least somewhat their ability to retain talented employees (see Figure 17). More than half (57 percent) of the managers report flexibility enhances retention "very much" or "a great deal."
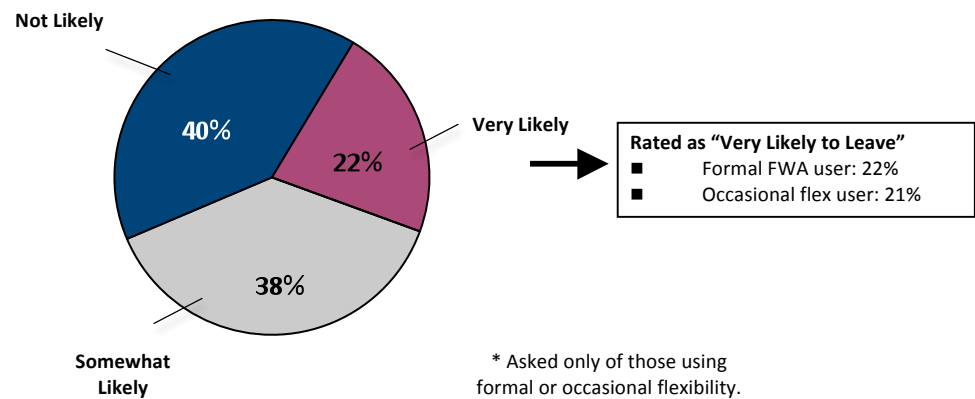
Figure 17: Manager — Extent Retention of Talented
Employees Is Enhanced by Opportunity to Work Flexibly
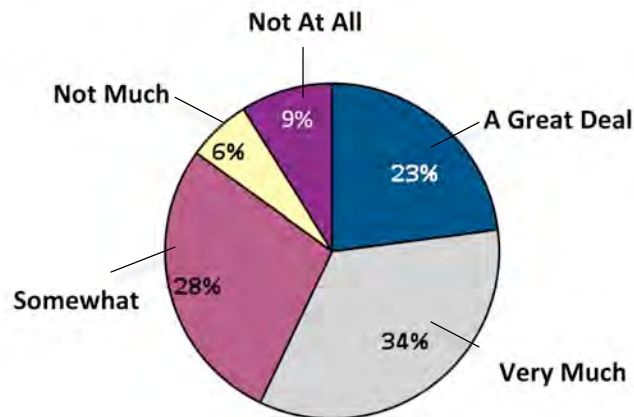
Another measure of the importance of flexibility to retention is the likelihood that employees who currently use flexibility would leave the company without it. Three-fifths (60 percent) of flexibility users report that they are either "very likely" (22 percent) or "likely" (38 percent) to leave their company without the opportunity to work flexibly (see Figure 18). There is no difference between those using formal versus occasional flexibility.

Women are more likely than men to report they would leave their companies if they did not have the opportunity to work flexibly (63 percent "very" or "somewhat" vs. 51 percent).

Figure 18: How Likely Is It That You Would Leave the Company If You
Did Not Have the Opportunity to Work Flexibly?*

Rated as "Very Likely to Leave"
- Formal FWA user: 22%
- Occasional flex user: 21%

* Asked only of those using formal or occasional flexibility.

"Many hours are spent in the workplace. We spend more time with our co-workers than our family. Any perk that also works for the business, can only improve employee retention and employees' well-being and happiness in their current positions. This would be instrumental in keeping employees in their jobs longer." — *Female, manager*

Impact of flexibility "fit" on turnover intention
Flexibility does make a difference to employee turnover. Turnover is lower for respondents using flextime and telework compared to others. In addition, the greater the number of formal flexibility options used, as well as the total number of formal, occasional and time-off strategies used, the less likely employees are to consider leaving their organizations. Those who have less difficulty accessing flexibility options are also less likely to consider leaving.

We also examined the relationship between having needed flexibility and the number of years respondents expect to remain with their companies. The expected turnover rate for employees who do not have the flexibility they need at their companies is almost twice the rate of those who do have the flexibility they need (see Figure 19).

Figure 19: Retention by Having the Flexibility Needed to Manage Work,
Personal and Family Responsibilities
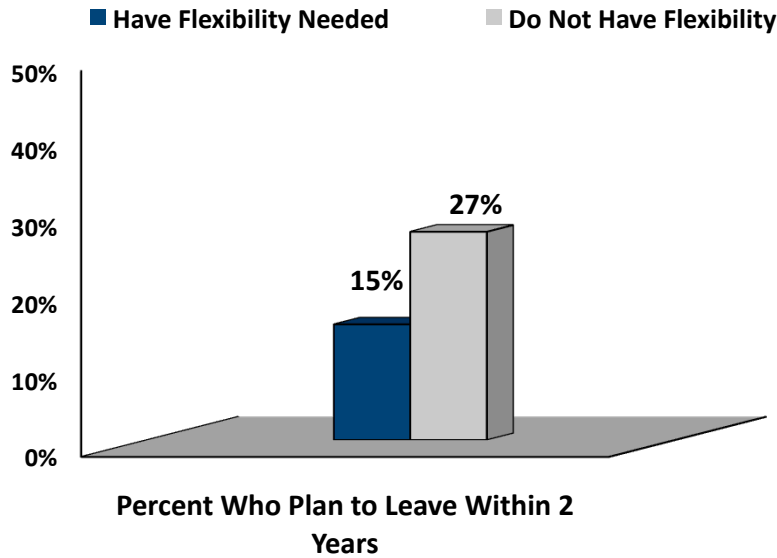
What impact does flexibility have on employee stress and burnout?
One-third or more of employees respond affirmatively to experiencing three factors of stress and burnout, including frequently feeling physically or emotionally drained at the end of a workday; feeling that no matter how hard they work, they can't get everything done; and that the stress of balancing work and personal/family responsibilities affects their health.[9] There are no stress and burnout score differences by gender or among those with child care responsibilities, but there is an age difference that shows oldest respondents have the least amount of stress and burnout. Employees with elder care responsibilities have higher stress and burnout scores than other employees.

Flexibility does make a difference in the amount of stress and burnout respondents experience. The more types of formal flexibility employees use and the easier flexibility is to access, the less stress they report.

> "I have more time to work with my charity and feel much less stress to try to get it all done. I wish this had been available when my daughter was younger." — *Female, formal, compressed workweek*

> "Having flextime really helps as far as family and personal time to make appointments. [It] makes life less stressful and easier." — *Female, formal, flextime — set schedule, part time*

Personal impact of flexibility on stress and burnout
Whether respondents feel they have the flexibility they need in their work schedule to manage their work and personal responsibilities is also significantly related to stress and burnout (see Figure 20).

Stress is more than two times greater for employees who do not have the flexibility they need compared to those who have it.

Figure 20: Stress and Burnout by Having the Flexibility Needed to Manage Work, Personal and Family Responsibilities

■ **Have Flexibility Needed**   □ **Do Not Have Flexibility**

Stress and Burnout
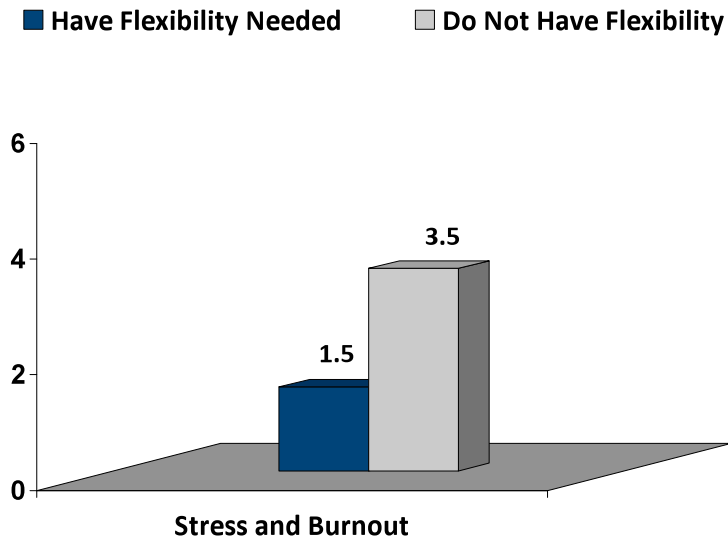
About the Corporate Voices Survey on Flexibility for Hourly and Nonexempt Workers

During 2008, the five organizations participating in the *Innovative Workplace Flexibility Options for Hourly Workers* project fielded the Corporate Voices Survey on Flexibility for Hourly and Nonexempt Workers to a sample of their workforce.[10]

Across the five organizations, 2,478 managers and employees were invited to participate. The survey was conducted primarily online, and printed surveys were made available in one organization in which employees did not have access to computers or the Internet at the workplace.

The final number of participants was 1,629, which included 211 managers; 1,290 lower wage, nonexempt and hourly workers who utilize flexibility; and a small comparison sample of 128 employees who perform comparable jobs in the same companies but do not use flexibility. Survey response rates within companies ranged from 48 percent to 82 percent with an average of 64 percent.

Data from the five organizations were weighted equally in the overall analyses. Statistical techniques were used to control for company differences when examining the relationship of flexibility to various business and employee outcomes.

Overview of manager respondents

	Managers
Gender	
Men	33%
Women	67%
Age	
< 35 years	35%
35–44 years	24%
45–54 years	28%
55+ years	13%
Minority Status	
Nonminority	83%
Minority	17%
Years at Company	
< 3 years	13%
3–9 years	36%
10+ years	52%

Overview of employee respondents

	Employees
Gender	
Men	25%
Women	75%
Age	
< 35 years	35%
35–44 years	22%
45–54 years	29%
55+ years	14%
Minority Status	
Nonminority	82%
Minority	18%
Household Composition	
Married/partnered	65%
Single	35%
Dependent Care Status	
Parent of child under age 18	37%
Planning first child	8%
Elder and Adult Dependent Care	
Currently have	16%
Expecting in near future	20%
Years at Company	
< 3 years	31%
3–9 years	31%
10+ years	39%
Employee Shifts	
Regular daytime	67%
Regular evening	12%
Regular night shift	9%
Rotating shift	6%
Split shift	1%
Other	5%

Definitions of Common Flexible Work Arrangements

Formal flexible work arrangements include the following, although not all may be applicable for certain positions:3

- *Flextime:* Modification in start and end times, often with required core hours for full-time employees

- *Compressed workweek:* Compression of full-time job responsibilities into fewer than five days per week (often referred to as a 4/10), or fewer than 10 days in two weeks (often referred to as a 9/80)

- *Telework:* Full-time work conducted up to several days a week at a site other than the primary worksite

- *Remote work:* Full-time work conducted at home or another site with limited presence at a regular company facility

- *Part time:* Reduced hours or schedule, with a corresponding reduction in job responsibilities and pay, and an adjustment of benefits

- *Job sharing:* Two employees on reduced schedules and workload share overlapping responsibilities of a full-time position, with a corresponding reduction in pay and an adjustment of benefits for each

Endnotes

1. According to the National Compensation Survey, 25 percent of U.S. workers earn $10 per hour or less, or $20,080 or less annually for a 40-hour workweek. "National Compensation Survey: Occupational Wages in the United States, July 2004, Supplementary Tables." U.S. Bureau of Labor Statistics. August 2005.

2. The Labor Department had estimated that between 2002 and 2012, the economy would create more than 7.5 million new jobs. However, almost 6 million of these jobs are expected to be lower wage jobs that require limited education and provide minimal training.

3. With funding from the Alfred P. Sloan Foundation, Corporate Voices and WFD Consulting collaborated on the report, *The Business Case for Flexibility: An Imperative for Expansion* (2005), which summarized internal business data from 28 major American companies that collectively demonstrate a powerful business case for management and professional flexibility; effective flexibility programs increase productivity drivers such as commitment and retention and have a direct impact on financial performance.

4. This finding is reported in *The Business Case for Flexibility: An Imperative for Expansion* (2005). See *Workplace Flexibility for Lower Wage Workers* (2006), a Corporate Voices briefing paper researched and written by WFD Consulting, for a summary of research on flexibility for lower wage workers.

5. During data collection it was determined that one participating company did not meet the lower wage salary requirements. A decision was made to include their data given the relevance of their flexibility work practices to the research objectives and the applicability of their experience to lower wage work environments with similar job types and work processes.

6. The comparison sample of employees who were not using flexibility was smaller than expected in the study design. The researchers found that in business units or departments in which flexibility was available, use was widespread and it was difficult to identify employees to participate in the survey who were not using flexibility in some fashion.

7. Pitt-Catsouphes and Matz-Costa discuss the concept of flexibility "fit" in their article "The multi-generational workforce: Workplace flexibility and engagement," which can be found in the May 2008 issue of *Community, Work & Family*, 11(2).

8. WFD's Engagement Index is composed of seven items that measure the degree to which employees are engaged in the organization, internalize and identify with the company's goals, want to make the company successful, and are willing to devote effort on its behalf. The Engagement Index is a 14-point scale, which ranges from a low of 0 to a high of 14.

9. WFD's Stress and Burnout Index is composed of seven items that measure the degree to which employees are able to manage the multiple demands of work and personal/family life and the impact of the multiple demands of their work and personal responsibilities on health, job performance and ability to meet family obligations. The Stress and Burnout Index is a 14-point scale, which ranges from a low of 0 to a high of 14.

10. The Corporate Voices Survey on Flexibility for Hourly and Nonexempt Workers instrument incorporated many items from the WFD survey database. For a description of the WFD survey database items, see the May 2008 issue of *Community, Work & Family*, 11(2). Several new items were developed in order to examine aspects of flexibility pertaining to lower wage workers that have not been measured previously. In addition, the following items were adapted from the "National Study of the Changing Workforce 2002 Questionnaire" and used with permission from the Families and Work Institute: "How easy or difficult is it for you to take time off during the workday to take care of personal or family matters?"; "How easy or difficult is it for you to take breaks when you want to?"; "If you work full time, could you arrange to work part time in your current position?"; "If you work part time, could you arrange to work full time in your current position?"; "How often are you required to work paid overtime hours or unpaid extra hours with little or no advance notice?"; "My supervisor/manager assumes that I will be available to work extra hours without asking me first."; "In your current position have you lost pay or been disciplined or penalized for missing time because of family or personal responsibilities?"; "Have you ever lost a full-time job because of attendance issues or too many unscheduled absences?"

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Corporate Voices for Working Families is the leading national business membership organization representing the private sector on public and corporate policy issues involving working families. A nonprofit, nonpartisan organization, we improve the lives of working families by developing and advancing innovative policies that reflect collaboration among the private sector, government and other stakeholders.

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Our phone: 800-447-0543

Our address: 55 Chapel Street Newton, MA 02458