

balance sheets

A series of information sheets for employers interested in helping employees balance their work, family, and personal responsibilities

This series jointly produced by:



MIDWESTERN
WORK-FAMILY
ASSOCIATION



CENTER FOR
FAMILIES
PURDUE
UNIVERSITY



The electronic conversion of the Balance Sheets series made possible by:

ChevronTexaco

Initial funding to launch the Balance Sheets series provided by:



Additional support for the research and writing of this series provided by:



Reproduction by permission only.

Center for Work & Family
at Boston College
140 Commonwealth Avenue
St. Clement's Hall, Rm. 128
Chestnut Hill, MA 02467
ph: 617-552-2844
fax: 617-552-2859
cwf@bc.edu
www.bc.edu/centers/cwf/

Midwestern Work-Family
Association
Purdue University
1267 CDFS Bldg., Room 105
West Lafayette, IN 47907
ph: 765-494-6026
fax: 765-496-1144
cff@purdue.edu
www.cfs.purdue.edu/CFF/mwfa.html

One Small Step
The Bay Area Employer
Work & Family Association
221 Main St, Suite 300
San Francisco, CA 94105
ph: 415-808-4315
fax: 415-856-0906
info@onesmallstep.org
www.onesmallstep.org

balance

Xsheets™

A series of information sheets for employers interested in helping employees balance their work, family, and personal responsibilities

The Center for
Work & Family
BOSTON COLLEGE
CARROLL SCHOOL OF MANAGEMENT

One Small Step


MIDWESTERN
WORK-FAMILY
ASSOCIATION  CENTER FOR
FAMILIES
PURDUE
UNIVERSITY

Copyright © 1998

Reproduction by permission only.

At Merrill Lynch, flexibility is viewed not as a program, but as part of a culture change. Our emphasis on training and work redesign is how we enable flexibility to be successful throughout the company.

Bernadette Fusaro

Vice President of Work/Life Strategies

Must we choose between the goals of the business and people's needs?

We argue that the answer is a resounding no. Our research shows that the solution to this dilemma lies in connecting the two issues – people's personal lives and strategic business issues – rather than treating them as a trade-off.
(Bailyn, Fletcher, & Kolb, 1997, p. 12)

...the reason...has begun to shift from an accommodation mindset to thinking of using flexible work arrangements as part of a business strategy. This new direction ...has required companies to become more formal in their approach, more strategic in their use of flexibility, more inclusive in terms of who can use flexible work arrangements, and more global in their perspective.

(Olmsted, 1995, p. 13)

*This issue of the Balance Sheets
authored by:*

*Shelley M. MacDermid, Ph.D.
Center for Families
at Purdue University*

Flexibility as a Strategic Tool

Flexibility in what, when, where, and/or how work is done, as part of a coordinated organizational effort toward a business goal or goals.

"STANDARD" FLEXIBILITY

Standard flexibility usually means programs that support and accommodate employees by allowing them to vary when and where they do their work. Here are some examples:

Flextime - Employees vary the duration and timing of the workday (e.g., start and end times, breaks, lunch), within limits set by management

Compressed work weeks - Working full-time hours in a reduced number of days

Telecommuting - Working away from the office some or all of the time

V-time programs - Programs which allow tradeoffs of time for money on a prearranged basis

Job sharing - Two workers cover one full-time job

Maternity phase-back - Gradual increase from leave status to full-time

Phased retirement - Gradual reduction from full-time to retired status

Paid Time Off (PTO) programs - Collapsing all leave into a single pool which an employee can draw upon for any purpose defined legitimate by management

Paid and unpaid leaves - To care for dependents, education, or many other reasons

Sabbaticals - Paid or unpaid time off at recurring intervals

STRATEGIC FLEXIBILITY

Strategic flexibility goes beyond standard flexibility in both scope and purpose. Strategic flexibility has the following characteristics:

- May include variations in what, when, where and/or how work is done, toward what goals and for what compensation.
- Focused on overall business goals rather than case-by-case accommodations to individuals.
- Focused on the long term rather than the short term.
- Proactive, not reactive.
- Intervenes at the level of the system rather than the level of individuals.

(Olmsted, 1998, Campbell & Koblenz, 1997; Bailyn, Rapoport, Kolb, Fletcher, et al., 1996)

THE BOTTOM LINE

Flexibility can attract and retain employees of choice; improve labor allocation and reduce labor costs; reduce stress, tardiness and absenteeism; maximize use of equipment and extend hours of service; and often can be implemented at low cost (New Ways to Work, 1998).

A recent Ford Foundation study gave employees the flexibility to redesign work processes in order to remove workplace barriers to integrating work and personal life. Results were a first-ever on-time product launch at one company, a 30% reduction in absenteeism at another, and increased sales revenues at a third (New Ways to Work, 1998).

One aspect of flexibility is supportive supervisors who allow employees to accommodate nonwork responsibilities. At TN National Corporation, bosses rated by subordinates as supportive of work-family balance retained employees twice longer than the bank's average. Their departments kept 7% more retail customers. Higher retention rates contributed to a 55% profit gain over 2 years (Cascio, 1998).

First Tennessee Bank reduced the time to reconcile customers' accounts from 10 days to 4 by allowing employees to control the allocation of work time (Working Mother 5/97, as reported by New Ways to Work, 1998)

The telecommuting program at Merrill Lynch resulted in reduced turnover, space savings, and productivity increases from 10-20%. (WL Today, as reported by New Ways to Work, 1998)

In 14 categories out of 20, AT&T employees who were on a flexible work arrangement provided better service than those on traditional schedule (Conference Board, as reported by New Ways to Work, 1998)

In a recent e-mail survey at Baxter Healthcare Corporation, 60% of the respondents who said they did not have the flexibility they needed to take care of personal responsibilities had looked for another job (Campbell and Koblenz, 1997).

MODEL PROGRAMS

Chiron Diagnostics, Walpole, MA

Chiron diagnostics is in the process of implementing flexible work arrangements for its 2000 employees. Managers and employees are being encouraged to use flexibility as a strategic business initiative to enhance work processes and assist employees with work/life balance. All managers, supervisors and employees are participating in an education program supporting flexibility.

Merrill Lynch, New York, NY

In 1996, Merrill Lynch introduced guidelines for flexible work arrangements. Components of the new program include:

- "Flexibility Awareness" modules which are used for training and awareness activities;
- Changes to the Human Resources information system to recognize flexible work arrangements;
- A change to the head count policy so that part-timers are not included;
- Extension of medical benefits to limited hour employees;
- A partnership with organizational development to detect and remedy potential barriers to the successful use of flexible work arrangements throughout the business.

Fifty Human Resources professionals were trained to assist their business areas with implementing and answering questions about flexible work arrangements. An "info-Line" accommodates employee and manager questions. Training modules for both employees and managers provide awareness about the newly available arrangements; over 2000 managers and employees have been trained so far.

The University of California, Berkeley, CA

The campus guide for Balancing Work and Family offers the following business reasons for flexibility: Extending hours of service, reducing traffic congestion and parking problems, accommodating peak and slow periods of business, and maximizing productive work time by allowing it to occur when the employee is most ready. Flexibility is covered in one of the guide's four sections; designing and implementing flexible work arrangements are covered, along with the myths and possibilities of such arrangements.

Adept Technology, San Jose, CA

The experience of Adept Technology, a 400-employee robotics manufacturing company in Silicon Valley, has lessons for companies large and small. Starting with almost zero flexibility, Adept had unique challenges in changing its traditional culture to provide access to flexibility for all its employees. The strategic goals were to support corporate objectives and to attract and obtain top talent. Sue Carlson Lim recommends that companies: (1) Challenge employees to focus on the needs of the business and what options could work for them; (2) Involve in the process well-respected, influential employees from different parts of the organization; (3) Consider company culture and determine strategies that will be effective; and (4) Empower employees. They can achieve amazing results when given the opportunity and support.

CONSIDERATIONS FOR EMPLOYERS

These suggestions are adapted from an exercise developed by Jessica DeGroot which appears in *Integrating Work and Life*, edited by Stewart D. Friedman, Jessica DeGroot, and Perry M. Christensen, 1998, Jossey-Bass/Pfeiffer, San Francisco, CA.

Business goals that can be addressed by using flexibility as a strategic tool:

Containing Costs

- Decreasing costs for office space
- Decreasing costs of benefits
- Decreasing replacement and training costs

Improving Customer Service

- Extending service hours
- Improving coverage during peak times
- Minimizing disruptions caused by planned or unplanned absences

Meeting the Demands of Expanding Markets

- Extending the business day
- Reducing travel

Jump-starting Organizational Change

- Promote self-managed teams by giving teams responsibility for designing work schedules
- Link flexibility and work-family integration to work redesign efforts

Improving Recruitment and Retention

- Retain employees who have difficult-to-replace skills or knowledge
- Access a larger labor pool

Meeting Demands for Increased Production

- Develop, with employees, schedule options that meet production targets and personal responsibilities
- Address fluctuations in production demands
- Minimizing disruptions caused by planned or unplanned absences

(Reprinted with permission. Copyright © 1998 Pfeiffer, an imprint of Jossey-Bass, Inc., Publishers. All rights reserved. For ordering information, please contact Pfeiffer, 350 Sansome St., San Francisco, CA 94104, (800) 274-4434.)

NOTE: A COMPLETE LIST OF THE REFERENCES CITED IN THIS ISSUE OF THE BALANCE SHEET IS AVAILABLE. SEND REQUESTS TO SHELLY@PURDUE.EDU.