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FLEXIBLE WORK: TRENDS &
BEST PRACTICES

North
Coast 

Introduction

With the expanding number of dual-income households, emergence of a multi-generational workforce, prevalence of a diversity of family structures, varying work schedules and family needs, and increased time and job pressures, it is becoming imperative that employers provide flexibility to their employees and help them achieve work/life balance.

Flexibility in the workplace, however, has recently drawn scrutiny as corporations like Yahoo and Best Buy overhaul their flexible work programs. Yahoo eliminated its telecommuting program and banned work-from-home for all employees. Shortly after, Best Buy eliminated its ROWE (Results Only Work Environment) program. The premise of ROWE was that it did not matter where or how long employees worked, so long as they achieved certain results.

These major and widely-publicized decisions have raised questions among employers about whether the use of flexible work options is advantageous, or if it threatens business success. They have also raised questions as to whether or not these organizations will continue to be able to attract and retain exceptional talent, especially women, who traditionally have desired more flexible work arrangements.

Perhaps most importantly, the controversial decisions of these corporations illuminate the inherent challenges of flexible work arrangements and remind organizations that without properly implementing and managing these arrangements in the context of your business needs and culture, flexible work... simply does not work.

The following white paper explores the current state of flexible work practices, the benefits of flexible work in retaining and engaging employees, and best practices for implementation, based on research conducted through the NorthCoast 99 program, local research, and by national organizations that study flexible work practices. Specifically, the white paper covers the following:

- Overview of Trends in Flexible Work
- Research Evidence: The Business Benefits of Flexible Work
- What Top Talent Wants: The Case for Flexible Work and Work/Life Balance
- Best Practices and Examples of Effective Flexible Work
- Recommendations for Implementing Flexible Work

Overview of Trends in Flexible Work

The prevalence of flexible work practices varies. Nationally, research suggests that flexible work practices are fairly common; though among employers in Northeast Ohio they are slightly less common. Employers of choice, however, such as the Best Companies to Work For and NorthCoast 99 winners, are much more likely to offer flexible work practices.

National Trends

According to a national study conducted by the Families and Work Institute, Society for Human Resource Management, and *When Work Works*¹, the majority of organizations offer some form of flex-time to at least some employees, including options such as changing start and quit times within a range of hours, taking time off during the workday for important family or personal needs without loss of pay, and working some regular paid hours at home occasionally.

Additionally, at least one-third of organizations allow at least some employees to change start and quit times on a daily basis, compress workweeks at least part of the year, work some paid hours at home on a regular basis, have choices about and control over their shifts, and move between full-time and part-time work. The study cites that organizations are more likely to offer flexibility in terms of flex-time and work location, and allow employees to make choices in managing their time to address important family or personal situations.

Similarly, a 2011 study by *WorldatWork*² of organizations across the U.S. shows that workplace flexibility is offered by many employers. Over three-quarters of organizations offer part-time schedules, flex-time, and telework on an adhoc basis. Also, more than half of organizations offer compressed workweeks and telework on a regular weekly or monthly basis. Less than one-third of organizations, however, offer job sharing.

Northeast Ohio Trends

In Northeast Ohio, the percentages of organizations offering flexible options were slightly lower, according to ERC³. Just under half of organizations offer at least one flexible or alternative work schedule. The most common flexible work schedule offered is part-time work, provided by nearly 40% of respondents. Flex-time work schedules were the second most common flexible option offered. Telecommuting and compressed workweeks were not as commonly offered, by less than a quarter of employers surveyed. The survey results also showed that mid-sized organizations (having between 100-500 employees) were more likely to offer flexibility than other smaller or larger organizations.

ERC's research also points to the use of flexible work practices as a means of attracting and retaining top performers. In a recent study of talent management practices, over one-third of Northeast Ohio organizations use work/life balance and flex-time/telecommuting as strategies to retain top/key talent.

Employer of Choice Trends

Employers of choice are much more likely to offer flexible work. According to the Great Place to Work Institute⁴, nearly all of the Best Companies to Work For provide some type of flexibility including "sensitive scheduling of work shifts, core hours that permit employees to adjust start and stop times to their unique needs, the ability to take time off for personal appointments or meetings at their children's schools, back up childcare and eldercare, part-time hours, and more."

Similarly, over 90% of local employers of choice, the 2012 NorthCoast 99 winners, offer flex-time, telecommuting/work-at-home options, the ability to attend appointments without using PTO or having pay deducted, and the ability to make up hours without using PTO or having pay deducted to at least some employees, according to the 2012 NorthCoast 99 Winners Report. Additionally, 70% of 2012 NorthCoast 99 winners offer compressed workweeks. Below is a breakdown of the average percentage of employees eligible to use flexible work options and the percentage of winners offering the option to all employees.

	Average % of employees eligible for option	% of winners offering option to all employees
Flex time (choice of hours worked)	67%	34%
Telecommuting/work-at-home options	45%	18%
Compressed workweeks	37%	14%
Early or late arrival	69%	45%
Ability to attend appointments without using PTO/having pay deducted	70%	54%
Ability to make up hours without using PTO/having pay deducted	79%	60%

The degree to which workplace flexibility is offered varies according to industry and size. Research conducted by the Families & Work Institute¹ shows that employers in health services generally offer more workplace flexibility than other industries. Professionals also seem to have more flexibility. Manufacturers, however, tend to offer less access to flexibility. Similarly, its studies have shown that smaller and mid-sized employers with fewer than 500 employees tend to offer greater flexibility than larger employers with fewer than 500 employees.

Research Evidence: The Business Benefits of Flexible Work

There are several pieces of evidence which suggest that flexible work has numerous benefits in terms of lower turnover, higher employee engagement and satisfaction, improved business performance, increased productivity, and better employee health.

Flexibility Linked to Turnover and Engagement

Organizations that offer more flexible work practices appear to have lower turnover and higher employee engagement and satisfaction. For example, in an analysis of 2012 NorthCoast 99 applicants, organizations with the highest percentage of employees eligible to use at least one flexible work option (flex-time, telecommuting/work-at-home, compressed workweeks, or early/late arrival) reported a 5% lower average percentage of voluntary turnover than organizations with the lowest percentage of employees eligible to use at least one flexible work option.

Similarly, organizations with the highest percentage of employees eligible to use at least one flexible work option reported higher employee engagement scores when compared to organizations with the lowest percentage of employees eligible to use at least one flexible work option. Additionally, employees at organizations with the highest percentage of employees eligible to use at least one flexible work option reported being more strongly satisfied with their organization's flexibility to support their personal and family needs than employees at organizations with the lowest percentage of employees eligible to use at least one flexible work option.

WorldatWork's² most recent research on workplace flexibility also suggests a correlation between flexibility and turnover. Its research found that the higher an organization rates itself on flexibility, the lower its organization's turnover. The research also shows that organizations believe workplace flexibility has a positive effect on employees' engagement, motivation, and satisfaction

Additionally, the Corporate Voices for Working Families⁵ finds that employees in more effective and flexible workplaces are more likely than other employees to have higher engagement and job satisfaction and stronger intentions to remain with their organizations.

Flexibility Linked to Productivity & Health

According to When Work Works⁶, a joint initiative of the Society for Human Resource Management (SHRM) and the Families and Work Institute, 97% of HR professionals say that productivity in their organizations is the same or better with flexible work. Additionally, when employees have a high degree of work/life fit, two times as many employees report having excellent health, sleeping better, exercising more, and having lower stress.

Flexibility Linked to Company Performance

Finally, flexibility also has been linked to company performance. The Corporate Voices for Working Families⁵ reports that flexibility drives financial performance and productivity. It also finds that flexibility correlates to increased revenue generation and positively affects customer service.

What Top Talent Wants: The Case for Offering Flexible Work and Work/Life Balance

ERC's research in the NorthCoast 99 program shows that work/life balance is generally ranked among the top five job attributes that top performers seek in a job, and most commonly ranked fourth in importance across various demographic variables. Work/life balance has consistently been ranked among the top five attributes for the past several years, suggesting its importance in attracting and retaining talent. The degree to which their organizations are flexible with their personal and family needs also plays a role in engaging top performers, based on the survey.

Work/life balance and/or flexibility are also common reasons why top performers reportedly stay at their organizations. Conversely, stress, work overload, and other impediments to work/life balance or flexibility are increasingly being cited as common reasons that top performers would consider leaving their organizations, based on research gathered on top performers over the past few years through the NorthCoast 99 program.

Similarly, organizations that apply for the NorthCoast 99 program consistently say that offering flexible work practices and focusing on work/life balance have helped them attract and retain talent.

Other national research points to workers' desire for flexibility and work/life balance. Findings of research conducted by the Families and Work Institute⁷ on nationally representative studies of employees show that the majority of employees want access to flexible work options. In addition, the research cites that the top reason for implementing work/life initiatives among employers is to retain employees.

While flexibility and work/life balance are not the only attributes talent seeks in jobs, often rated below challenging and meaningful work, development/advancement opportunities, and competitive compensation, quite a bit of research suggests that offering flexible work options and ways to achieve work/life balance may help employers better land and keep talented employees.⁵

Best Practices and Examples of Effective Flexible Work

The business case for flexible work should be apparent: talented employees are attracted by it and it can lead to positive business results including lower turnover, higher employee engagement and satisfaction, better financial returns, and increased productivity. The question becomes: how can an organization implement and manage flexible work to achieve these positive results?

When implementing flexible work practices in the workplace, top employers like the NorthCoast 99 winners have developed a number of best practices, beginning with their general philosophy on flexibility and work/life balance. Many of these organizations place a high priority on helping employees achieve their vision for work/life balance and understand that the family and personal needs of their workforce demand offering flexibility to attract and retain exceptional talent.

NorthCoast 99 winners will often work with employees to negotiate a work/life solution that best meets their needs so long as employees' work is accomplished and obligations are met. The focus is often on maintaining structure, but with flexibility. Additionally, below is a list of several other best practices that NorthCoast 99 winners use when managing flexible work.

- They offer a variety of flexible work schedule options that appeal to various segments and demographics within their workforce.
- They offer flexible work options that are conducive to their specific business operations and job roles.
- While they cannot always treat every employee exactly the same and offer the same solutions to everyone, they treat requests for flexibility fairly.
- They make certain flexible work options (such as work-from-home) a benefit and privilege for employees who are responsible, self-managed, and accountable.
- They set core work hours (e.g. 9 a.m. – 4 p.m.) or allow flexible schedules to begin anytime between 7 a.m. and 9 a.m. and end anytime between 4 p.m. and 6 p.m.
- They give supervisors and managers discretion to have conversations with employees regarding their schedules and work/life needs.
- They have scheduling and work-from-home requests reviewed and approved by an employee's manager, on a case-by-case basis.
- They develop tools to help managers address flexible work needs, such as request forms, guides to implementing flexible work arrangements, and training.
- They provide appropriate technology to help employees do their work outside of the physical boundaries of the office.
- They accommodate employees' needs while maintaining productivity.
- They offer generous vacation, sick, bereavement, and personal leave programs to supplement flexible work.

- They make eligibility for flexible work options dependent on performance standing.

For example, The Cleveland Foundation offers flexible work schedules and works to accommodate its top performers' scheduling requests for flexible work hours, compressed work weeks, and part-time schedules. Employees can manage their schedules autonomously and fit their 7-hour workday between the hours of 7 a.m. and 7 p.m. Depending on the specific job, employees may also be able to telecommute or work-from-home and are given the tools to stay "plugged in." Employees are also supported with liberal paid time off.

Similarly, Excelas has a culture that promotes flexibility and autonomy by accommodating employees with changes or a reduction in scheduled hours, schedule flexibility, work-from-home option, shift in workload, and approval of paid time off with short notice. These accommodations have proved effective in keeping its talent engaged with the organization.

Majestic Steel's managers work with employees to make short and long-term adjustments with their schedules. It also provides the option to work-from-home to some employees, and gives employees the tools they need to be successful and productive in those roles including smartphones, laptops, and computer systems and programs. There is also an ongoing commitment to cross-training employees to support flexibility and work/life balance.

Finally, in response to the needs of its top performers, Plante Moran created tailored work arrangements (TWAs). TWAs are considered privileges and not automatically dispensed to any employee. They include options such as:

- **Expanded part-time work opportunities.** Scheduling arrangements that include telecommuting, extra hours during tax season with reduced summer schedules, compressed work weeks, and a variety of traditional part-time schedules.
- **Flextime.** The ability for administrative and practice staff to schedule their own hours as long as client needs are met.
- **Remote working arrangements.** The ability to telecommute or work remotely.
- **Non-traditional career opportunities.** A guarantee that staff members working a part-time or non-traditional schedule have access to promotional opportunities, including partnership.

As an example of a successful TWA, one of Plante Moran's employees gave birth to a son and received a TWA. The employee put together a proposal detailing how her schedule would work and scheduled a sample year. She has a unique situation where every week is different for her but provides a set of planned hours for the year. During busier seasons, she works when she needs to while still having one day off each week. Other times, when her schedule is slower, she uses flex time and works much less. She remains connected via cell phone and e-mail on days she is not working, and even received a promotion while working the reduced schedule.

By creating flexible and tailored work arrangements for their employees, Plante Moran has been able to create flexible and unique accommodations to retain and engage its top performers. In

addition, many of the individuals that have been given even the most special accommodations have received promotions and opportunities to grow their careers.

These are just a few examples of how NorthCoast 99 winners offer, implement, and manage flexible work.

Recommendations for Implementing Flexible Work

Based on these best practices, we've provided several recommendations for implementing an effective flexible work program in your organization.

1. Create a workplace culture that is accommodating and supportive of employees' lives outside of work.
2. Select flexible work options that fit your organization's operations, jobs, and culture.
3. Create a flexible work policy.
4. Pilot or test a flexible work program.
5. Set eligibility requirements (such as job role, performance standing, etc.) for flexible work options.
6. Devise a process by which employees can request a flexible work option and the criteria by which their request will be considered.
7. Encourage dialogue about flexibility needs and work/life concerns between employees and supervisors.
8. Communicate performance expectations and that employees must continue to meet standards and deliver results while using flexible options.
9. Enforce and manage performance.
10. Train supervisors and managers on flexible work and work/life balance topics.
11. Give supervisors and managers discretion in negotiating and setting reasonable flexible work schedules and accommodations.
12. Evaluate your flexible work program in terms of who is using it, how it is being used, and the challenges participants and managers are experiencing.

Conclusion

Flexibility is a worthwhile investment in your business that can yield positive business results. The need and desire for flexibility in the workplace will continue to grow as workforce needs become more diverse and complex. Employers that want to gain an edge in attracting and retaining talent will need to offer flexible work and help employees achieve work/life balance.

Sources

¹ Families and Work Institute, Society for Human Resource Management, & When Work Works (2012). 2012 National Study of Employers

² WorldatWork (2011). Survey on Workplace Flexibility

³ ERC (2013). 2013/2014 ERC Policies & Benefits Survey

⁴ Great Place to Work Institute (2013). Telecommuting May Be Popular, But is it Right for Everyone?

⁵ When Work Works (2013). Flex at a Glance

⁶ Corporate Voices for Working Families (2011). Business Impacts of Flexibility: An Imperative for Expansion

⁷ Galinsky, E., Sakai, K., & Wigton, T. (2011). Workplace Flexibility: From Research to Action