

Exemplars of Successful Implementation: 20 Model Programs

Introduction to Case Summaries

This section of our report presents a summary of the detailed information we collected from each of the 20 model programs. First, we examine the various types of flexible work arrangements that are included in the study, why they are needed, and some background information for each. Then we provide a summary of our conversations with representatives of each of the companies who agreed to share their experiences with us. Each one contains valuable information about the drivers of the program, the structure of the program, some obstacles faced and overcome, quotations from employees who use the new way of working, and supportive comments from these employee's managers.

What Are Flexible Work Arrangements?

Flexible work arrangements can take many forms and can be either formal or informal, but most involve giving employees greater control over when and where work gets done and over how much time they choose to work. The flexible work arrangements included in this report are: part-time work, job-sharing, teleworking, on- and off-ramp programs, compressed workweek, the BOLD Initiative, and the Results-Only Work Environment. Information on each of these flexible work arrangements is included below.

Part-Time Work Overview

Definitions. From an employee perspective, part-time work might include working fewer hours or days per week, sharing a job with another employee, or reducing one's overall workload. Part-time employment refers to working less than 35 hours per week (Leonard, 2000). Reduced workload has been defined "as working less than full-time, for example, four instead of five days a week, and being paid less accordingly" (Lee & Kossek, 2004, p. 1). KPMG uses the term "reduced workload" to refer to a percentage reduction in work responsibilities or projects. Job sharing involves two or more employees sharing the responsibilities of one full-time job (Harrington & Hall, 2007). The following section focuses specifically on part-time work.

Who works part-time? Though increasing numbers of both men and women would welcome part-time arrangements, the majority of part-time workers are still women (Harrington & Hall, 2007; Moen, 2003). Estimates find women constitute approximately 70% of the part-time workforce (BPW Foundation, 2004), with their rate of participation being three times that of men (22% and 8%, respectively) (Comfort, Johnson, & Wallace, 2003). Further, married women with children are most likely to be working part-time, whereas single men without children are least likely to seek part-time employment (Wharton & Blair-Loy, 2002). Regardless of gender, it appears that the majority of employees who choose to work part-time do so voluntarily (68% of women and 51% of men) (Bond, Thompson, Galinsky, & Prottas, 2002).

With respect to education, there appears to be only a weak correlation between educational attainment and part-time status for men and women in their prime working years (EPF, 2003). Still, part-time workers tend to possess lower levels of education. This trend is more pronounced in the case of involuntary part-time status, with an Employment Policy Foundation (EPF, 2003) analysis finding that men “who have less than a high school diploma are three times more likely to be working part-time involuntarily than those with a four-year degree” (p. 2). This correlation is more pronounced for women, with those holding a high school diploma being “3.8 times more likely to work part-time involuntarily” compared to women with a four-year degree (EPF, 2003, p. 2).

In terms of availability, research suggests that more than half of organizations (approximately 53%) offer employees the option to move to part-time employment and then back to full-time status while holding the same job (Bond, Galinsky, Kim, & Brownfield, 2005). Part-time status also seems to be more readily available in larger organizations “with 91% of large establishments with 1,000 or more employees reporting part-timers on staff” (Comfort, Johnson, & Wallace, 2003, p. 12). Part-time work still appears to be most concentrated in “service occupations,” “transportation and material moving occupations,” and “sales and related occupations” (EPF, 2003, p. 2-3). However, a relatively high proportion of professionals work part-time. One estimate finds that as many as 10% of all professionals are working part-time (Corwin, Frost, & Lawrence, 2001). Even so, there is significant variation among the different professional occupational groups. Of all professional part-time employees, only 2% of men and 5% of women are managers (Comfort et al., 2003). Also, women professionals (20.5%) are more likely than men (7.9%) to work part-time (EPF, 2003).

Benefits and costs of part-time. From an employee perspective, part-time work can help foster greater work-life balance by allowing time to handle child care and other family obligations effectively (EPF, 2003). Such flexibility is found to be particularly true for women. Employment Policy Foundation (2004) analysis of data from 1998 and 2003 finds that 45.5 % of women compared with 12.3% of men cited a need to address work-life balance issues as the primary reason for choosing part-time work. And, of those men who voluntarily chose part-time work for balance reasons, it was, “in large part, to attend school or training and not for reasons related to child care or family obligations” (EPF, 2003, p. 3). Studies also show that men and women with higher levels of education (i.e., having at least a two-year college degree) and in “white-collar” occupations are more likely than less educated and “blue-collar” workers to opt for part-time work in deference to work-life balance concerns (EPF, 2003, p. 4). Finally, in addition to work-life issues, employees cite a need to reduce stress and search for greater overall life satisfaction in choosing part-time work (Harrington & Hall, 2007).

Part-time work is not without its disadvantages. Employees working part-time earn less pay and risk losing benefits. Most organizations will offer benefits only to employees who work a set minimum number of hours and, even then, employees may be eligible only for prorated benefits. Additionally, employees harbor the concern that working part-time will limit promotional opportunities and stymie career success. For instance, Comfort et al. (2003) find that “[o]nly 17% of part-timers received a promotion at any time since being with their current employer” (p. 21). And, Hill, Vjollca, & Ferris (2004) note that “part-time professionals reported significantly less career optimism and work success than full-time professionals” (p. 288).

From an organizational perspective, offering part-time work schedules can increase loyalty, productivity, work satisfaction, and dedication among employees (Bravo, 2005; EPF, 2003). Moreover, this work arrangement can help organizations keep valued talent in today’s highly competitive workplace, par-

ticularly in response to the aging workforce and the impending loss of experienced workers from the baby boom generation (Leonard, 2000). Nevertheless, some companies are still reluctant to offer part-time work. It is sometimes the case that financial performance pressures or limitations imposed on managers as to how many “heads” they can have in their departments to meet productivity targets might force employers to favor full-time employees over part-time workers (Harrington & Hall, 2007). Also, organizations might still harbor the belief that certain jobs or roles (i.e., management positions) are not conducive to part-time work, though research suggests that this is not necessarily true (Harrington & Hall, 2007).

Concluding Comments. Many workers indicate that they would welcome part-time work (Tilly, 1997; Pew, 2007). And companies are recognizing that despite some of the potential obstacles to allowing part-time work, there is much to gain in terms of enhanced employee morale, productivity and work satisfaction, and reduced turnover and talent loss (EPF, 2003). However, key to the success of part-time work is the availability of quality part-time work (including part-year work), which would offer adequate benefits and access to other flexible work arrangements (i.e., telecommuting) (Harrington & Hall, 2007; Leonard, 2000).

Job-Sharing Overview

Job-sharing involves two or more employees sharing the responsibilities of one full-time job. In this partnership, employees may share all responsibilities of the job or choose to divide tasks. They might also bring to the partnership similar or complementary skill sets. The actual configuration of a successful job-share will vary based on the requirements of the particular job and the skills and needs of the job-share partners (The Hudson Report, 2006).

There are many benefits of job-sharing for both employees and organizations (HR Focus, 2006; Managing Benefits Plan, 2006). From an employee perspective, job-shares allow individuals to maintain greater work-life balance by reducing hours at work to spend more time in child care or elder care or pursuing other personal pursuits (i.e., study, community work, etc). Additionally, job-sharing allows individuals to embrace flexibility at work without jeopardizing continued career advancement and skill development. From an organizational perspective, job-sharing is an effective retention tool. It permits organizations to retain the skills, experience, and expertise of more employees, including working parents and employees beginning the transition into retirement. Also, organizations can benefit from the enhanced performance and customer service that comes from utilizing the combined skills and talents of two employees in one job. Finally, supporting job-sharing options demonstrates an organization’s commitment to engendering the values of an employer of choice—a commitment that can see dividends in terms of employee loyalty, recognition, and productivity.

In terms of utilization, the 2005 National Study of Employers reports that of its sample of 1,092 employers, 46% of organizations allowed job-shares to some employees and 13% allowed job-shares to all or most employees (NSE, 2005, p. 6). These numbers are not particularly high given the earlier stated benefits of job-sharing. There appear to a number of myths associated with job-sharing that might be discouraging some organizations from offering this flexible work option to more employees. One prevalent myth is that job-shares are too expensive for organizations to sustain (The Hudson Report, 2006). Salaries for job-shares are typically split among the job partners. However, there might

be some additional cost if the partners overlap on a particular day. There might also be some extra cost with respect to training and health care benefits. However, the availability of coverage (one partner covering for another) during holidays and other leaves can offset many extra costs.

A second myth suggests that job-shares require greater supervision and coordination (Harrington & Hall, 2007; The Hudson Report, 2006). On the contrary, it appears that because the responsibility to make a job-share work lies primarily with job-share partners, employees make a concerted effort to maintain quality performance without undue supervision. In many respects, job-share partners can reduce the need for outside supervision or management support by providing supervision and quality control for each other (The Hudson Report, 2006). A third myth contends that job-sharing is not suitable for most jobs and that they are perhaps only appropriate for “‘women with children’ in administrative roles” (The Hudson Report, 2006, p. 14). This misperception belies continued discussion in research and in organizations to extend the reach of job-sharing to encompass different occupations and work roles. For instance, it has been suggested that job-sharing should be a greater option in law firms (Compensation & Benefits for Law Offices, 2006), and should even be considered by chief executives as a means to alleviate the intense pressure, isolation, and often unmanageable workloads associated with this leadership position (Simms, 2006).

A number of recommendations have been put forth to help organizations and individuals maximize the benefits of job-sharing (The Hudson Report, 2006). Organizations need policies that outline clear guidelines for the use of job-sharing and demonstrate a strong commitment and partnership with employees using this flexible work arrangement (HR Focus, 2006; Hudson Report, 2006). For employees, former job-share partners have emphasized the importance of presenting a convincing business case for the proposed job-share. It is also important to select a partner carefully with whom you share similar values and complementary career goals or objectives (Meadows & Rankin, 1995). Moreover, an effective job-share requires a high degree of coordination and consistent, detailed communication between partners (Harrington & Hall, 2007; Meadows & Rankin, 1995). A strong job-share team is founded on collaboration and trust and not competition between partners. It can withstand any attempts to play one partner against the other (Meadows & Rankin, 1995, Simms, 2006). With a successful job-share partnership, the union in time becomes almost transparent or invisible to the organization. The separate partners in an effective job-share can often come to be seen as one person.

Teleworking Overview

Basic Concepts and Definitions. Telecommuting, sometimes also called teleworking, is an alternative work option that has been defined as “a schedule in which employees conduct their work off-site for some of their core working hours” (Pruchno, 2000). The off-site work is done away from the traditional office space in locations such as the employee’s home, a satellite office, or a client site. In conjunction with work off-site, telecommuting typically involves the use of telecommunications technology, including computers, fax, copiers, additional telephone lines, and high-speed/broadband and other wireless access capabilities (Kossek, 2003).

There is much variation in the telecommuting arrangements used by employees. They range from part-time to full-time, and can be formal agreements or informal practices. Consequently, some

employees may work from home the entire week, while others might telework only once or twice a month (Richman, Noble, & Johnson, 2002). Results from CWF's study *Bringing Work Home: Advantages and Challenges of Telecommuting* (2002) suggest that the optimal arrangement would involve working from home no more than three days per week. Spending more time away might lead to feelings of isolation or difficulty conducting work with teams.

Telecommuting has been a relatively widely used flexible work option since the late 1980s (Harrington & Hall, 2007). Current statistics indicate that in 2001, 15% of the employed population in the United States worked from home at least once a week (U.S. Census Bureau, 2003). And, it is forecast that in 2007 approximately 35 million employed persons will have teleworked for more than eight hours per month (Jones Dataquest, 2005). This number is expected to grow to about 36 million in 2008 (Jones Dataquest, 2005). Interestingly, these numbers are still below the participation rates initially projected for the start of the 21st century, which predicted 55 million telecommuters in the United States (Wells, 2001). As with various other alternative or flexible work arrangements, it appears that effective implementation and access issues might be undermining optimal utilization of telecommuting programs in organizations (Nord, Fox, Phoenix, & Viano, 2002).

With respect to access, Bureau of Labor Statistics data released in March 2002 indicates that the highest numbers of part-time and full-time traditional workers who telecommuted regularly were employed in managerial, professional, or sales occupations. Specifically, 29.8% of managers and professionals, and 20.0% of sales employees telecommuted at least once a week. This contrasts significantly with data that finds only 2.2% of operators, laborers, and fabricators, along with 7.1% of precision production, repair, and craft workers used telework arrangements at least one day per week (BLS, 2002). It appears that higher levels of educational attainment and the ability to take work off-site are factors correlated with current access to telecommuting (EPF, 2004). Nevertheless, Employment Policy Foundation (EPF) supported research suggests that 65% of jobs in today's labor market are suitable for telework (Potter, 2003). Finally, in terms of access to telework, men and women are equally likely to use this flexible work arrangement, with 14.8% of men and 15.2% of women working from home at least once a week in 2001 (U.S. Census Bureau, 2003).

Even with access to telecommuting, not all employees are appropriate for this type of arrangement. Research suggests that telecommuting is best suited for individuals who are self-motivated and possess the skills and knowledge needed to work independently with little supervision; have strong organizational, time management, and communication skills; can be trusted to meet agreed-on project goals; and are comfortable with solitary work (Harrington & Hall, 2007).

Costs and Benefits of Telecommuting. From an employee perspective, telecommuting can offer the autonomy and flexibility needed to negotiate work and family responsibilities better. In particular, the time and money saved from not having to commute to work can be used to attend to the care of children and elderly relatives, or to take care of other household duties and personal needs. The reduction of stress and the better work-life balance promoted by telecommuting can, in turn, boost employee morale and overall life and work satisfaction. On the negative side, telecommuting for employees might create feelings of isolation and disconnection from colleagues (EPF, 2004). Also, there may be the concern that lower visibility and presence in a traditional office might limit career advancement and access to more challenging projects. Additionally, as opposed to creating a healthier work-life balance, working from home might make it more difficult for an individual to set clear boundaries between work and family tasks—to the point that an individual might begin to feel that he or she is always working.

There are a number of potential advantages of telecommuting for employers as well. Key among these benefits is increased employee productivity, and reduced turnover and absenteeism. A 2002 EPF analysis indicates that Fortune 500 companies would save \$5 million annually with a 1% reduction in the employee turnover rate. Telework can also help organizations reduce overhead and facility costs, and honor federal and state environmental mandates looking to reduce traffic congestion and carbon dioxide emissions (EPF, 2004; Harrington & Hall, 2007). The potential disadvantages of telecommuting for an organization include problems fostering creative teamwork, and difficulty in assessing and monitoring employee productivity and performance.

Concluding Comments. It is becoming increasingly clear to organizations that flexible work arrangements (FWAs) such as telecommuting are highly valued by employees. Many employees state that they would be willing to take a slight reduction in pay in favor of access to FWAs. Moreover, a 1999 Pratt survey found that of the 247 teleworkers surveyed, 53 percent indicated that having the option to work from home would be significant in their decision to consider a new employer (EPF, 2004). To utilize telecommuting arrangements to the mutual benefit of the employee and the organization, research indicates that employers need to consider a number of factors.

First, organizations need to develop an off-site or telecommuting plan carefully that addresses the unique needs of their business and provides a clear analysis of the potential benefits and pitfalls of the proposed arrangement (EPF, 2004; Richman et al., 2001-2002). Second, managers require comprehensive training on how best to support and supervise an off-site employee, so that they can move beyond ineffective “line-of-sight management practices” (Harrington & Hall, 2007, p. 165). Third, organizations need to create a “technology plan that fosters connectedness, not just connectivity” (Richman et al., 2001-2002, p. 5). Finally and, perhaps, most importantly, there needs to be a commitment to cultural change in an organization that embraces change, innovation, and “consciously replaces the office-centered model of work with a mental model of an omni-site extended network, in which distinctions of on- and off-site disappear—and no one is considered remote” (Richman et al., 2001-2002, p.5).

On- and Off-Ramp Overview

With approval from their employer, individuals take various forms of paid or unpaid leaves of absence from work. For instance, employees might choose to take time away from work in response to personal or family illness, military service, the birth or adoption of a child, and for educational or training pursuits. These leaves are typically negotiated between the employee and his/her employer. However, fairly recent legislation, the Family and Leave Act (FMLA) of 1993, requires that all employers with at least 50 employees allow individuals to take up to 12 weeks of unpaid leave annually for reasons specified by the law (i.e., childbirth or adoption; personal illness; or, to care for a sick child, spouse, or parent) (Rudd, 2004). Since the enactment of FMLA in 1993, 50 million employees have taken advantage of this legislation (Pandya, Wolkwitz, & Feinberg, 2006).

Some companies will offer leaves that extend far beyond 12 weeks (Harrington & Hall, 2007). Offering generous leaves (sometimes extending up to five years) to employees can allow organizations to retain skilled individuals (in particular, women postpartum), boost employee loyalty and morale, and reduce costs incurred as a result of high turnover (Harrington & Hall, 2007; Rudd,

2004). From the employee's perspective, leaves of absence can be less punitive to wages than career gaps. And, survey research looking at individuals who have used family leaves finds that the majority of these individuals report positive benefits to their own and their family's emotional and physical well-being (Waldfoegel, 2001).

In spite of the many benefits associated with generous leave policies, the use of leaves are still sometimes seen as problematic to employees and employers. From the employee's perspective, research suggests that individuals taking leaves are less likely than non-leave-taking employees to receive salary increases, promotions, and favorable performance evaluations the year that they are away from work (Judiesch & Lyness, 1999). Taking unpaid leaves can also be financially untenable for many employees. For instance, survey research examining the impact of FMLA on leave-taking among employees finds that 77.6% of employees in 2000, who had access to leaves and needed them, reported not taking time away from work because they could not afford to be without an income (Waldfoegel, 2001). Given these findings, it is perhaps not surprising that the average family leave time for employees, since the implementation of FMLA, has been ten days (Harrington & Hall, 2007). From an organizational perspective, although leaves can have long-term benefits with respect to employee retention and work satisfaction, there can be short-term challenges (Rudd, 2004). When an employee takes a leave, work often needs to be reallocated, in some cases by requiring co-workers to pick up extra work. Also, some organizations report added difficulties in terms of the implementation and administration of various leave policies (Waldfoegel, 2001).

However, it is encouraging that the above-indicated challenges associated with leaves have not discouraged many forward-thinking organizations with supportive middle managers from offering generous leaves, including paid leaves (Harrington & Hall, 2007). So, innovative leave policies continue to be found in workplace cultures that support an ethic of care, value work-family balance, see benefit in the retention of a diverse workforce (i.e., women, parents, etc.), and strive for measurable outcomes over face time (Rudd, 2004).

Compressed Workweek Overview

Compressed workweeks involve working 40 hours per week, but in fewer days than found in a typical 9-to-5, five-day workweek. There are many different configurations to the compressed workweek. For instance, an employee can work 40 hours in four days (a 4/40 schedule), or 80 hours in nine days (a 9/80 schedule). The 2005 National Study of Employers found in their sample of 1,092 employers that 39% of organizations allowed compressed workweek schedules to some employees and 10% allowed compressed workweeks to all or most employees (NSE, 2005, p. 6).

As is the case with most flexible work options, there can be some difficulties with associated compressed workweeks (Emory, 2007; HRDC, 2007; Katepoo, 2007). Working extended days (i.e., nine- or ten-hour days) can be ultimately physically and mentally exhausting for employees, particularly if their jobs involve highly repetitive tasks. And, the fatigue from working longer days may not be alleviated by an extra day off from work. Also, trying to schedule child care and/or other family and personal responsibilities on extended workdays can be problematic for some employees. From an organizational perspective, compressed work schedules might pose some challenges in terms of supervision, maintaining operational coverage, and productivity declines if employees are experiencing fatigue or stress.

Despite some of the potential drawbacks, compressed work schedules can offer a number of benefits to both employees and companies (Emory, 2007; HRDC, 2007; Katepoo, 2007). For employees, compressed schedules allow individuals to have more days away from work to devote to leisure or to take care of personal and family responsibilities without jeopardizing pay. Also, employees on extended schedules can often avoid long commute times by avoiding peak traffic periods. From an organizational perspective, compressed workweeks can promote better work-life balance and, in turn, increase employee morale, productivity, loyalty, and work satisfaction. Additionally, employers can provide extended service to customers, and optimize use of equipment and staffing levels while controlling overtime costs.

BOLD Initiative Overview

The BOLD Initiative project is managed by The Bold Initiative, a nonprofit consulting group, funded by the Alfred J. Sloan Foundation. Initial pilot projects were conducted at ten companies: Chubb, Frito-Lay, Gannett Co., Johnson & Johnson, Macy's Northwest, Pitney Bowes, Puget Sound Energy, Prudential Financial, Weyerhaeuser, and Nextel Communications. The following materials that describe the initiative were provided by Bea Fitzpatrick, president and CEO of the BOLD Initiative and taken from the January 2007 issue of *The Network News* provided by the Sloan Work and Family Research Network at Boston College.

The BOLD Initiative's mission is to transform the way corporate America views and utilizes flexible work options: from being an employee perk to an effective tool for enhancing performance. This mission has never been more important. American corporations are consolidating and downsizing, as well as outsourcing and creating facilities overseas, thus increasing stress on employees who are being asked to do more with fewer resources. At the same time, shifting demographics are driving an intense war for talent among corporations who are striving to attract and retain the very best talent.

BOLD's team-based, results-focused approach to workplace flexibility is providing companies with an opportunity to address their competitive pressures at the same time as employees are able to reduce the stress they experience from conflicting demands on their time from work and their commitments and interests outside of work. As a result leading companies in highly diverse industries are embracing this approach and applying it in a wide variety of functions, encompassing both exempt and non-exempt employees.

Once enrolled, and with the support of BOLD consultants, participating companies launch pilot projects with selected teams in areas where there is a compelling business need for increasing flexibility and where they need to tap into employees' experience and commitment to enhance overall business performance. Employee teams develop flexibility plans that include targets for measurable improvements in team performance, flexible work schedules that accommodate the diverse needs of every team member, and innovations in work methods that enable the team

both to meet its performance improvement goals and allow team members to flex around their personal needs. Building on successful pilots, the companies then scale up the use of flexibility in the pilot locations and roll out the approach to other functions.

American Airlines has also been participating in this initiative. The BOLD Initiative at American Airlines is organized around three key factors: productivity and metrics; team-based flexibility; and, continuous improvement (B. Ganslen, American Airlines, personal communication, June 8, 2007). With respect to productivity and metrics, teams are expected to set and meet measurable goals or productivity targets every 90 days. These goals can be numerical (i.e., generating X revenue or meeting X volume targets), or nonnumerical (i.e., developing a particular project or redesigning a process). Meeting agreed-on productivity or stretch goals allows a team to negotiate new targets and continue participation in BOLD.

BOLD's team-based flexibility approach acknowledges individual employee needs for greater work-life balance and control, as well as needs for greater inclusion and recognition in the workplace (B. Ganslen, American Airlines, personal communication, June 8, 2007). Consequently, a team works together to support individual team member's needs for flexibility. With this approach, team members can make use of differing flexible work arrangements such as telework or compressed workweeks with the appropriate technological support (i.e., remote desktop connection; VPN access; Call Pilot; and, NetMeeting). However, the focus always remains on the ability of the group to meet productivity targets. So, it is understood that individual or group flexibility arrangements are subject to change in response to changing or conflicting work needs.

Finally, with respect to continuous improvement, as noted earlier, teams routinely (every 30, 60, or 90 days) renegotiate their BOLD contracts (B. Ganslen, American Airlines, personal communication, June 8, 2007). Participation in BOLD is viewed as a privilege and not as a right. Some critics of team-based approaches that emphasize continual growth worry that such strategies can jeopardize employee well-being by making individuals vulnerable to group or peer pressure to meet productivity targets (Sennett, 1998). Additionally, granting some flexibility and, perhaps, pseudo-independence to work teams might allow top management to exercise power without taking responsibility for outcomes (Sennett, 1998). Nevertheless, supporters of BOLD and similar team-based approaches indicate success in using these programs in terms of enhanced employee morale and organizational productivity (Gannett, 2005).

Results-Only Work Environment (ROWE) Overview

According to CultureRx founders Jody Thompson and Cali Ressler, a Results-Only Work Environment (ROWE) is a radical transformation of working culture away from an increasingly antiquated 9-to-5, 40-hour week modality and a corporate culture that emphasizes "lots of face time, lots of hours, get your butt in your chair" (Jossi, 2007, p. 48). Instead, ROWE embraces the freedom of employees to work when, where, and how they choose as long as the work gets done (CultureRx, 2007; Jossi, 2007). The focus is on results and achieving mutually contracted, clear work goals (outcome-based evaluation), and not on face time or how many hours an employee worked (line-of-sight management). This approach to working requires trust and freeing employees from traditional notions about effective workplace strategies, including common "flexible" work options (which can sometimes

require much management supervision). Employees know that they have the ownership, control, and autonomy needed to make productive choices regarding their work. Specifically, ROWE is premised around “13 Commandments” of which three key commandments include: “There are no work schedules; every meeting is optional; and employees should render no judgment about how colleagues spend their time” (called “sludge” by CultureRx) (Jossi, 2007, p. 49). With this approach, the boundaries between life and work truly begin to disappear.

Currently 4,000 of Best Buy’s corporate employees have access to ROWE and it continues to expand. This expansion reflects the success of ROWE at Best Buy in promoting reduced turnover, enhanced productivity, improved employee morale and engagement, and exceptional work. For instance, Best Buy reports a 35% increase in productivity over a six- to nine-month period for those units implementing ROWE (Jossi, 2007). And, in three divisions studied by CultureRx, voluntary turnover had dropped between 52% and 90%.

The provision of various forms of technology in the form of laptop computers, BlackBerry devices, and cell phones to employees has helped to make ROWE a success at Best Buy (Jossi, 2007). However, it remains that the ultimate success of ROWE lies in the ability of an organization to release its traditional views around working and move beyond skepticism to allow a cultural transformation to take place.

Organization of Model Programs

The next portion of the report contains case summaries from individual companies, and is organized according to the type of work arrangement being featured. These are:

- Part-Time and Reduced Workload (First Horizon, KPMG, Alcatel-Lucent, GSK);
- Job-Sharing (TAP and HP);
- Teleworking (Booz Allen, Eli Lilly, HP, Dell);
- On- and Off-Ramp Programs (Deloitte, Intel, MITRE);
- Alternative Work Schedules (Raytheon);
- Linked Business Results and Flexibility (American Airlines, Best Buy)

We also feature model conceptual approaches for making flexible work arrangements more effective, as well as information regarding the company's programs. These are:

- Work Paths [gaining executive commitment] (Takeda)
- Alternative Work Arrangements Proposal Kit (Baxter)
- FWA Database (PWC)
- New Communications Strategy (IBM)
- New Approach for FWA [positioning FWA] (AstraZeneca)

Part-time and Reduced Workload

- First Horizon National Corporation: Prime Time Schedule
- KPMG: Reduced Workload Model
- Alcatel-Lucent: Part-time Work
- GlaxoSmithKline: Part-time Sales Force

COMPANY**FIRST HORIZON**

Program***Prime-Time Schedule*****Description**

First Horizon's workplace flexibility options include a Prime-Time Schedule. Under Prime-Time Schedule employees who have been at the company for one year or more can work with their leader to determine if a reduced work schedule is feasible. Employees can reduce their hours, if that works in their job, to as low as twenty hours per week, and maintain their benefits. They can do it to take care of a sick parent, have a baby, ease back into the workforce, or ease out of the workforce toward retirement.

Administration

There is information about the program for employees on the employee website. There is not a formal tracking system. Employees are not required to fill out rigorous paperwork. The employee, leader and his or her ESRM, Employee Services Relationship Manager, work out the arrangement. There are guidelines on the Leader website.

**Drivers –
Why Developed**

In the early nineties, the company looked at its most successful financial service centers or branches to determine what made them so successful. One of the common links among all the high-performing branches was customer loyalty and what kept the customers coming back were the employees who had been with the company the longest. The company concluded that if they kept their employees, they would keep their customers and create profitability.

Company leaders then gathered information from employees throughout the company through focus groups and surveys to find out what it would take to make them want to stay with the company, to be successful? They learned two major things.

What they found was that employees wanted more control over how they got their work done. They wanted to be empowered to make decisions and get their work done in a way that made sense to them. Employees also said that they needed help in taking care of their work and family responsibilities, balancing that out. Thus, making flexibility available became a big part of being able to put employees first, and enabling employees to be home with their families when they needed to be, and still able to take care of their work.

**Implementation
Approach**

The company did the study in the early 90s, put together the various flexibility programs, and rolled out a new culture called Firstpower. About a thousand managers across the company were trained in a two-and-a-half day training session. Training covered three different topics: continuous improvement, empowerment, and flexibility.

Obstacles

The biggest obstacle was getting buy-in from the managers.

How Obstacles were Overcome

Once the managers went through the training and saw the business case, and saw the best practices of other companies, they understood the link between keeping employees, keeping customers, and profitability. Not all of the leaders came on board right away, but over time they saw the value.

Benefits

There have been many benefits.

- It has strengthened the company culture.
 - For individuals, the primary benefit is the ability to be productive in both their work and family lives. They don't have to leave their careers to take care of a family need when a new child is born, or when an emergency comes up.
 - For managers, they see that their employees are more productive, more loyal, more dedicated to the company.
 - The customers like the continuity. They treat First Horizon's employees as family.
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Measurement

The company does a Leadership Survey and an Employee Value Survey and, in the 2006 Leadership Survey, ninety-two percent of employees said their leaders supported them taking care of both their work and their personal responsibilities.

On the Employee Value Survey, employees are asked if they have used any type of workplace flexibility over the past year. Last year over half of the employees said that they had, and eighty-four percent of them said they had at least adjusted their hours occasionally to help take care of their personal responsibilities.

Factors in Success

Top-down support has made a huge difference in the program's success. Continued communication of best practices helps convince some reluctant leaders that this really does work.

Manager Comments

"They both [bank needs and employee needs] have to come together. We're not sacrificing one over the other, and it's amazing how well it actually will come together if you just think outside the box. We have very few difficulties, and most of the employees know -- we've been doing this so long and with a really stable management team, that they know when they have to physically be here. I'll give you an example. If for some reason, you want to be in the vault and file paper-work in the vault, well, that's basically got to be done physically here. You can't do that at home. If we get a request that somebody needs prime-time, and they're in a job that really isn't suitable, then we look to see if there's another place they can fit in the division. They're required to be in good standing on their reviews and things like that. We'll bend over backwards. The fact of the matter is it's so hard to find good people that we're better off making accommodations for the folks we know and have been with us. It just makes economic sense to do that."

-- Clay Williams, Senior Vice President

Sponsor Comments

“I think the biggest concern typically is not the employees -- it’s the managers -- how we’re going to get people to work -- how are we going to get our work done and those kind of things. And believe it or not, you have to have faith -- maybe take a little leap of faith because it does work. You will find that it pays big dividends in the end with the retention, and the loyalty of the folks that are with you -- the fact that you have people who are willing to move around, stay with you, and do different jobs. So the intellectual capital that’s built up in your clerks, your senior clerks, your frontline supervisors, and everybody up and down the line -- that’s the big benefit of it. I’ve got folks that I can move around. When I have an opening, my immediate reaction is very seldom to hire from the outside for any kind of opening. It’s all entry level hiring we do from the outside because there’s so many people that are ready to step up into something bigger because they’ve been doing it a while or have the expertise or have been around. So I think that’s a big payoff. You’ve just got to have a little faith. I think the biggest difficulty is going to be either older or frontline supervisors. As I remember that was our biggest struggle.”

-- Clay Williams, Senior Vice President

Employee Comments

“I think it’s been really the best of both worlds with being able to continue my career. I can’t believe I was able to keep my career and continue building on my career and I continue to learn things in my job and get new responsibilities. And at the same time, I still get to be a mommy. I don’t feel guilty about the time away.”

-- Amy Jenkins, HR Development Consultant

Recommendations

Start at the top and share with senior leaders the success of other companies who have benefited from flexible work options, and also talk to your employees. You have to know what they need.

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Program	<i>Reduced Workload Model</i>
Description	This program provides a model for reducing workload when a typical full-time job is more than 40 hours per week. The model actually reduces the workload percentage with a comparable salary reduction. It provides clear expectations regarding work responsibilities while still allowing for innovation and flexibility.
Administration	Tools & forms are currently available through HR. Employees discuss proposed changes with their performance manager and go to HR where the forms are filled out. Employees are tagged in PeopleSoft as being on alternative work arrangements and reports are created that show people who are on this type of arrangement. Managers are encouraged to review the arrangements every 6 months.
Drivers – Why Developed	In a very busy professional environment it is quite common for work to take more than 40 hours per week. Calculating part-time as a % of 40 hours isn't fair to full-time workers. The program was first offered 3 years ago. There were perceived inequities and problems with part-time schedules. Some employees complained that their hours were reduced, but not their workload.
Implementation Approach	No pilot test was conducted. Implementation has been held within HR. Discussions were held with scheduling managers so they would be aware of this program and could schedule people appropriately. KPMG is trying to make it easier to use, and has continued to tweak all of the forms in the past 3 years.
Obstacles	The main obstacle was confusion about how the program works. Strategies were developed for ways to make sure people knew about the program and how to use it.
How Obstacles were Overcome	KPMG has overcome the initial confusion through ongoing communication between HR & the Business Partners who were negotiating for some of their employees who wanted to use it.
Benefits	There are many benefits to the program, including the following. <ul style="list-style-type: none"> • It frequently allows KPMG to retain an employee it would otherwise lose. • It encourages the team to work together to determine how they can best meet the needs of the client across the board in a really equitable way for the firm. • It is believed to have a positive return on investment. • It reduces resentment. • It provides a process for making expectations clear for manager, employee, and team. • It gives clients better continuity of service.

Measurement KPMG tracks utilization rates, but believe they are under-reported. There are additional data sources in the form of employee survey data, anecdotal data, real-life examples, and testimonials.

Factors in Success The main success factors are:

- the program fills the need, and
- many senior leaders support it and actively try to promote it.

Manager Comments

- The role of the person will dictate whether flexible arrangements will work
- Organization culture is important. It needs to be part of the way we structure our teams.

-- Chad Seiler, Director of Transaction Services

Employee Comments “People are attempting to achieve their goals in life. These people inspire others. With this program their choices can be realized.”

-- Kaoruko Margeson, Para-Professional

Recommendations

- Make sure it fits with current culture & business needs.
- Look at it as a “solution to a business problem.”

Another Program of Interest Informal Daily Flex: KPMG promotes a culture of flexibility, daily flex as well as formal AWA (Alternative Work Arrangements). The staff is primarily made up of professionals, most of whom take advantage of daily flex. In this case there is no formal documentation and no formal request process. Employees can use it to attend a child’s play, coach little league, or pursue other interests/responsibilities outside of work. They work it out with their Performance Manager (immediate supervisor) or their Engagement Partner (the person in charge of the engagement they are working on), to define how they will get the work done. In the rare issues when people take too much time, it is considered a performance issue not a flexibility issue.

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COMPANYALCATEL-LUCENT

Program***Part-Time Work***

Description

In the 1980s AT&T introduced a policy that allowed active management and occupational employees to work less than a standard work week on a regular basis, if their workload and the needs of the business could be accommodated. Lucent spun off from AT&T in 1996 and adopted the same policy.

Administration

This policy is owned by the compensation team and managed at the local level. Employees familiarize themselves with the policy and the impact on their wage and benefit packages, and then develop a work-plan that they can discuss with their managers to determine whether working a part-time schedule would be feasible for the type of work they do and in their specific work group.

**Drivers –
Why Developed**

It is believed that the policy was originally introduced at AT&T to help recruit telephone operators to cover all of the various 24 hour, 7 day shifts. These positions were staffed primarily by women and this policy helped with recruiting and staffing, particularly of split shifts. Although Lucent no longer has operator services, the policy has been retained.

The use of flexible work arrangements has continued in an effort to help attract and retain highly valued employees who otherwise would have left the company or to support projects where a unique skill set is required. Following is a sampling of the part time work currently being supported:

One manager is an executive coach to the organization; another is a world renowned professor and researcher at a prestigious college in Switzerland and the third is working on a grant from Carnegie Mellon cataloging the research papers of a former Bell Labs Vice President for donation to Princeton University. Another employee has a unique relationship with the customer and it was in the company's best interest to retain him on a part time basis to continue the interface with the specific customer.

Obstacles

The biggest obstacle is the way the company treats headcount. They do not use full-time-equivalents (FTE). If a person is working 20 hours they are counted the same as a person who works 40 hours from a staffing perspective.

**How Obstacles
are Overcome**

Typically, at the employee's request, a manager assesses the situation and determines if the cost – essentially utilizing a full headcount for a part time position is worth the reward of continuity in staffing the position. The policy is not very flexible from a headcount standpoint.

Benefits

The primary benefits are:

- improved productivity,
- reduced absenteeism,
- increased employee loyalty and commitment,
- ability to adjust workload in peak periods,
- improved perceptions of the company as a flexible company,
- improved employee retention,
- ability to recruit more talented individuals,
- increased opportunity for employees to better balance their work responsibilities with their needs outside of work.

Measurement

Lucent can determine how many individuals are working part-time, but does not actively track it. Approximately 1% of the U.S. population is currently working part-time.

In the most recent employee survey, 72% of employees agreed that their manager was sensitive to work/life balance. That was a 2% increase compared to the same question on the 2005 survey.

Factors in Success

There are two main success factors. The first is the long history of having the part-time policy. The second is the flexibility of keeping the decision and approval to implement a part time arrangement at the manager/supervisor level, eliminating a lot of bureaucracy.

Manager Comments

“My personal experience was -- when I had this person reporting to me -- you're used to being able to -- I'm very used to knowing -- I need something by this date or by tomorrow, and if they're not always here, and I have to wait - that was something that I had to get used to and proactively manage.”

“My experience has been that people will work hard for you. It's really kind of a give and take. So, if they need this to support their personal lives, and you support them doing it, I think that they give back and will meet whatever deliverables are necessary.”

“...it's been an interesting experience here at Lucent where we had a CIO, a former CIO, who was very strongly opposed to telecommuting, and I think that there's a significant employee benefit to allowing a certain amount of that. It became a real employee satisfaction factor in our work environment here.”

*-- Caroline Wills, Director of IT Business Operations,
and Director of IT Communications and Reporting*

Employee Comments

“I think it helps the company enormously. And if I were to work for another company, I would want something like this because it showed that they value family and being flexible and supporting that.”

“When we merged, we all had to take this web-based diversity class -- interestingly, we’re all kind of moaning and groaning about it because we think it’s going to talk about our ethnic background, our sexual orientation -- and here we go with another one of these things. So, one of the sections, although it was brief, it was a mother who was talking to her male boss. And her male boss says – ‘you know there are some people who are complaining because you think of it as liberal with the, you know, working from home policy, and we might have to address that people are thinking you’re getting preferential treatment’. And the mother worker responds -- ‘have I ever missed a deadline’. He says no. ‘Have I ever been unavailable?’ No. ‘Is my work still exemplary?’ He says yes. And her response is -- ‘what’s the problem?’ And that’s the end of the segment. And actually I ran down to [my boss] and I said – ‘you’ve got to see this. You’ve got to see this’. That was the first time I had seen mothers as a group of people that we had to understand their diversity -- we had to understand that their needs are different.”

-- Elisa Ingram, Project Manager

Recommendations

The HR manager suggests that utilization of part time employment could be improved by instituting a headcount policy that is supportive of part-time and other flexible work arrangement options. Another observation is to ensure your systems (payroll, benefits, etc) support part-time work and are automated. Otherwise, it could be an extremely manual process.

The employee interviewed recommends this program, as long as it works both ways. Managers and companies need to be flexible in allowing part-time work, and employees need to be flexible to meet whatever requirements that the company has. If this condition is met, then the arrangement should be beneficial for both the manager and the employee. Employees need to say to their managers “if you get in a bind, I will be there for you.” That will relax the manager and alleviate their nervousness that they may give you something to do and you will not be able to get it done.

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Program***Part-Time Sales Force*****Description**

The GSK part-time sales force is not a broad-based company program, but is instead a work approach that was adopted to meet the needs of a particular business. In 1993 GSK acquired a 'prime time sales force' from Marion Merrill Dow Pharmaceuticals. The sales force was primarily composed of working mothers and retired pharmaceutical professionals. As GSK expanded its consumer product sales, they have continued to support this part-time sales force.

The sales representatives generally work 25 hours a week calling on physicians and explaining GSK's products to them. There are 198 sales representatives who do this and 90% of them are part time. A few work full time because their territory has a higher concentration of physicians. 85% of the sales force is women between the ages of 28 and 40, and the majority of them are working mothers who had previous experience as a pharmaceutical sales representative. They are able to get their children off to school, call on a number of doctors during the day, and be home when the kids are home sick or when there are special school functions. They can work whatever 25 hours that they want. They all have full benefits: medical, dental, life insurance, pension, 401K, car insurance.

Administration

People are hired into this professional sales force and can work part-time if it makes sense for their territory. The sales force operates under performance-based expectations delineated by GSK.

**Drivers –
Why Developed**

The company wanted to recruit qualified people who were willing to work part-time, and who were able to reach the physician market effectively. At the time there were a lot of women leaving the work force to raise their families. This approach was a way to attract them into a job that would benefit the company and the employees as well. They also targeted retired people with a pharmaceutical background.

**Implementation
Approach**

There was no special implementation at GSK. The sales force was initially inherited from another company and has evolved since.

Obstacles

There have been a few obstacles to this effort. Budget considerations, primarily which brands would fund how much of the sales efforts, have been obstacles in the past. Recently, Consumer Healthcare has been re-structured in order to work more effectively and cost efficiently.

As new managers have been brought on board they have needed to be educated as to how it works.

Benefits

The company gets an effective sales force at a lower cost than a full-time sales force. It is a relatively small sales force that can literally turn on a dime from calling on doctors and pharmacists, to providing community service on smoking cessation, to helping launch new products, as well as promoting the switch of pharmaceutical products to OTC (over the counter).

The biggest benefit for the employees is the flexible working hours. It is relatively easy to attract working mothers who need to be home in the morning and home in the afternoon, and also people who have retired from corporate America but still want to work.

Measurement

GSK has data regarding the make-up of this professional sales force, and also has employee survey data regarding satisfaction with work/life balance. Professional measurement and compensation are based upon performance, goal attainment, 'Winning Practices' and company profit.

Factors in Success

The part-time sales force is entirely driven by business needs. There is a great deal of positive momentum at this point, and the sales force has adjusted well to changing demands over time.

Employee Comments

"The manager that I have come from a tradition of managing full time employees. It was an adjustment period to working with primarily all women who are working mothers and who had to have a work life balance. Over the years, he kind of came around to it and enabled our division to deliver consistently high performance based on our unique strengths."

"I think you have to learn how to organize the job so that it works for you rather than working for it. As working mothers, we are expert time-managers, organizers, multi-taskers and diplomats. Most of us have been in our territories so long that we know all the people that we call on and we [have] built relationships with them. It's a lot easier to conduct business that way, no matter what product we're coming in with."

"I'm divorced so I had to run a household with kids, then off to work, all at the same time. Actually having the job that I did allowed me to stay sane."

"All of us have had successful and profitable careers prior to working part-time for GSK. It is a 'win-win' situation for both GSK and for us. The company has the advantage of our years of experience and business acumen, and in return we are able to hone and grow our skills and have the opportunity to be involved in our children's lives in a very personal way."

"I would like to see this program evolve in a lot of different industries. I think for women, especially working moms, it's just a gift."

-- Janet Middleton, Senior Health Care Specialist

Recommendations

If your company has a similar business need, this is a great idea. Don't look at these employees as part-timers, but sales people who just happen to work part-time.

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Job-Sharing

1. TAP Pharmaceuticals: Field Sales Representatives
2. Hewlett-Packard

Program	<i>Field Job Sharing</i>
Description	<p>In 2001 TAP introduced a job sharing program for its field sales employees in which two employees share one fulltime sales representative position. Employees interested in the program must be regular fulltime employees who are performing at a “fully meets” level, which “represents performance that is fully acceptable and consistently meets job standards, including both business and organization results.” In order for an employee to be accepted into the program, he or she must be skilled in sales work, be effective working in a team environment, have strong communications skills and be open to accepting equal responsibility for accomplishments and failures. Job share partners are able to keep their company cars, computers and company phones.</p> <p>Employees interested in the program informally attempt to find a job share partner in their geographic area. Once two employees in a geographic area are interested in the program, they create a proposal that indicates how the work will be shared.</p>
Administration	<p>Employees complete the necessary paperwork and submit it to their manager for review, modification and approval. The proposal must also be approved by the employees’ manager’s manager and the sales director. If it is approved at all levels, the job share arrangement is entered into the HR system and the first level manager creates a job share arrangement document that outlines in detail the specifics of the arrangement.</p> <p>The company limits the number of job sharing arrangements to one per district.</p>
Implementation	<p>TAP started the program with several pilots in the field, and then modified it before rolling it out more broadly. After the pilot program, there was a formal roll-out that included a brochure, training classes, conference calls and an educational session for managers.</p>
Drivers – Why Developed	<p>TAP has a large number of employees starting families. TAP decided to offer this program as a strategy for retaining a high percentage of workers in this life stage.</p>
Obstacles	<p>The biggest obstacle was concern from managers that many employees would want to participate in the job share program. Another obstacle was the additional work needed to manage two people in a position rather than one.</p>
How Obstacles were Overcome	<p>Managers learned very quickly that their fears were unwarranted. Not all jobs are suited for this type of program and not all people are suited for this type of arrangement.</p>

Benefits

The primary benefits to TAP's job sharing program are the following:

- Turnover can be reduced. No additional costs are incurred from a recruiting and training perspective and it helps maintain the employee knowledge base.
- It helps TAP recruit new sales representatives.
- The company is recognized for its programs – TAP is on the Companies that Care honor roll list.
- When one person in the job sharing partnership is not available, the other can step in and provide backup.
- It increases company loyalty for those who participate.
- It brings new perspectives to the district and provides opportunities to capitalize on different selling skills.

Measurement

Approximately 6.9% of TAP's sales force is currently involved in a job sharing arrangement. TAP tracks quarterly utilization trends and does an end of the year comparison to the prior year. 9.9% of all TAP employees participate in some type of formal flexible work arrangement.

TAP also conducts an employee survey every other year that asks questions about flexible work arrangements. In 2006 a sample of employees also completed the Companies that Care survey that contained an entire section on flexibility.

Factors in Success

Senior management support in both the field and the corporate office has been important in reaching current utilization levels.

Program utilization has increased gradually, allowing TAP and its people to gradually adjust to this type of work arrangement.

Manager Comments

“The addition of the job share option has been a tremendous addition for our employees. We do emphasize to interested participants that this is not a just a part-time job, but rather a career. For a field-based selling position it is important to note that the participants must have some flexibility to meet the changing needs of the business, but they are also offered much flexibility by sharing the career with another committed individual. To have a career where you can still get so many of the benefits of being in a highly professional position but still be able to have that balance that you're looking for as your personal life circumstance has changed or dictates, is not commonly available. These positions are in high demand, yet they are few and far between in the pharmaceutical industry. At our organization, it's been more of an exception rather than the rule that we can't find someone to fill the position. It has happened. But I would say it's just a tremendous benefit for the employee that they're able to maintain employment at TAP and still accommodate their personal circumstances.”

-- Megan Viviano, National Sales Director

Employee Comments “We both have separate performance reviews, but we decided that it really didn’t make sense to have separate goals because we are both involved in all the projects we work on.”

“It was quite tough for me when I first started because I had been in the position for two years before I went to a job share. So as far as responsibilities, I found myself still wanting to contribute at that fulltime level because I had a lot invested in the position that I was in fulltime.”

“I think that it helps as far as a work/life balance perspective when TAP shows that it’s flexible and that it cares about employees, which can ultimately increase productivity, and make people feel more engaged in the work that they’re doing. It also has helped the position by bringing different perspectives to the communications we produce.”

-- Debbie Jensen, HR Communications Manager, Corporate Office Job Share

Recommendations – HR It’s not easy to get a program like this off the ground. You really need management buy-in, guidelines and the company needs to invest in the effort. It can take years to establish a successful program.

Recommendations – Manager Start a program on a pilot basis so that you can see what issues are germane and particular to your organizations. What are the challenges? What are the things that you want to include? TAP has an agreement signed by both job share parties that outlines each of their responsibilities, the days they will be working, what accountabilities they have. These agreements should be reviewed on an ongoing basis to make sure that there is clear communication regarding expectations between employees, managers and HR. Either party in a job share or the organization can opt out of the arrangement based on what the business needs are for the organization or the circumstances are for the individuals. If an employee decides that he or she wants to go back to fulltime they can.

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Program***Teleworking and Job Sharing***

Description

HP has a long-standing history of providing employees with flexible work options, beginning in 1973. HP believes that if provided with an environment that is flexible and respectful of the individual, employees will perform at their highest potential. About 70% of HP's U.S. employees "telework" or "flexwork" on a regular or ad hoc basis. HP considers telework as working remotely 100% of the time, while flexwork is varied and not necessarily 100%.

Telework – Allows an employee to work full-time from their residence for business or personal reasons.

Flexwork – Provides employees with flexibility in where and how they work. Employees can perform some of their job responsibilities at their primary HP business location and the balance of their job responsibilities from their home.

Telework/flexwork and virtual teams have become the norm at HP. Tools are made available such as teleconferencing, web-based meeting rooms and the HP Halo Virtual Collaboration System to facilitate virtual team effectiveness.

While these flexible work options are available to all employees, they must be approved by managers in advance -- they are not rights. Managers consider the needs of the team, current project workload, and overall organizational plans and goals when determining work arrangements. As can be expected, these dynamics are continually evolving and, while virtual teams are certainly able to succeed, making time for face-to-face interaction with colleagues remains a crucial component of their success. For some employees or teams, ongoing in-person collaboration may be necessary in order to achieve their specific goals.

HP is also taking steps to better align working spaces to the needs of a mobile workforce. They are in the beginning stages of a four-year global effort to revamp HP sites across the world to make them more productive and collaborative, keeping pace with the way employees are working. Updated offices will feature more free-address space for mobile workers who may not need an assigned office, but will still need access to private conference rooms, "quiet zones" and shared team spaces. HP Sites will also feature Voice Over IP / Wireless LAN for the convenience of all workers.

HP also has job sharing which allows two employees to share the tasks and responsibilities of one full-time position. In this arrangement, each job share partner is on part-time status and the employees share the responsibility for coordinating and accomplishing certain job responsibilities. They can stagger their arrangement to accommodate their needs as long as their manager approves their plan. For example, one person can work three days per week, and the other can work two days a week, or any other arrangement they decide on.

Administration	<p>Employees have to submit a form to their manager for approval of teleworking arrangements. That form goes into a global HR managing system. There are fields on the system for teleworker code and teleworker address. Reports can be done that show the number of teleworkers around the world. Employees are also eligible for reimbursement of certain home office expenses.</p> <p>Job sharing arrangements are not tracked on this system. Job share partners create a plan that defines how the business arrangements will work, and it is approved by their manager. Job share employees are then entered into the system as part-time workers.</p>
Drivers – Why Developed	<p>The company saw an opportunity to meet employees' changing lifestyle needs and created various flexible work arrangements to help employees meet their needs while ensuring business objectives were still being met.</p>
Implementation Approach	<p>Implementation of the various flexible work arrangements was conducted over the years using standard company communication vehicles.</p>
Obstacles	<p>The Teleworker arrangement can be employee or company initiated and can be terminated if it is determined that business needs or performance expectations are not being met. In order to avoid conflict, it's important that managers and employees understand how to be successful at teleworking and how to successfully manage a teleworker.</p>
How Obstacles were Overcome	<p>In order to help managers and employees become successful in a virtual work environment, HP partnered with work-life vendor, Ceridian. As a result, both manager and employee teleworker training courses were developed and are being delivered globally.</p>
Benefits	<p>The main benefits of the teleworking and job sharing programs are as follows.</p> <ul style="list-style-type: none"> • These benefits are needed in order to help HP attract and retain good people – they make HP more competitive. • Employees are happier and more productive. They are better able to balance their work and personal lives.
Measurement	<p>HP tracks the number of telecommuters using the HR data base. There is also a yearly employee survey that has questions pertaining to work/life programs.</p>
Factors in Success	<p>HP's Flexible Work Arrangement Programs support employees in optimizing their contributions and productivity to the company, resulting in more balance between their professional and personal lives. In addition, when employees initiate their requests, they tend to work hard to make the arrangements successful.</p>

**Manager Comments
regarding Job Sharing**

“So it does need to be one where the position enables it, you have the support of the manager, but also that you’ve got the manager feeling comfortable with the two individuals who are proposing to start a job share. Do they balance each other? Do they have the right skill sets for that particular position? Is there comfort in how they’re going to manage this? Because the key importance here is that, for a job share, at the end of the day almost becomes invisible to the organization, meaning it is not up to the organization to accommodate the fact that you’ve got two people in a job.”

“You don’t necessarily want two people who look exactly the same on paper. The true advantage is that you can bring people with different skill sets that are going to work well together.”

“The benefit that I’m not sure people really think about which is huge to me, is in a job share, there’s always someone around, meaning they never go on vacation at the same time.”

*-- Michael Bordonni, Vice President of Finance
for the Americas Region Imaging and Printing Business*

**Employee Comments
regarding Job Sharing**

“The complementariness of our strengths [makes us stronger]. She is a CPA, so she was an auditor, has very technical accounting knowledge, and I am an MBA, so more like the vision, strategy, building nice pictures of the future, and all those things. So together, we have that difference, or equivalent of one CPA plus one MBA, the experience of both together, and very powerful insight.”

“We have gotten three promotions together while job sharing.”

“We are just both so focused and dedicated to doing a great job, that we just work a lot, and the output is really great. It is better than what each one of us could do [individually].”

-- Marie Zoppis, Senior Director of Finance, Imaging and Printing Business

Recommendations

Survey your employees to see exactly what their needs are and what they are looking for; and see whether the flexible work arrangements are meeting their needs.

Always work at the top. Always get approval at the top, and have someone champion it from the top. Otherwise, it may not go anywhere.

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Teleworking

- **Booz Allen Hamilton**
- **Eli Lilly & Company**
- **Dell: Virtual Call Centers**
- **Hewlett-Packard**
(see Job-Sharing section for Hewlett-Packard teleworking case summary)

Program***Teleworking*****Description**

The teleworking program provides employees an opportunity to work in a location, other than their official Booz Allen office or client facility. Teleworking can occur on a full-time, part-time, or part-day basis. Employees are strongly encouraged to have worked at Booz Allen for at least 2 years before applying; however, exceptions can be made with approval from the manager. Employees are responsible for establishing an appropriate work environment in their home and are typically responsible for the costs associated with the set up and maintenance of their home office.

Administration

In order to participate, employees are required to complete a form that is reviewed and approved by their manager, someone at the principal level, and sometimes someone at the officer level as well. Prior to the approval, it must be determined that the FWA is beneficial to the firm as well as the employee. Employees complete the form with their manager and with an HR representative. The HR representative will review the request to ensure employee eligibility and consistency with the policy. Employees also may request confidential advice and counsel from their HR Representative before making a formal request. Once the form is approved it is entered into the data management system for tracking.

The Work/Life Program office is responsible for reviewing flexible work arrangements processed and tracked in the data management system, and for reviewing telework hours tracked in the time reporting system. If FWA patterns--such as a staff member who is not listed as a teleworker recording telework hours every Friday--are observed, the HR Representative and Work/Life Program office will conduct additional research and may ask him or her to complete a FWA request form.

Managers formally review the flexible work arrangement with their employee after the first 60 days, and thereafter, in conjunction with the employee's scheduled performance assessment period. However, the arrangement can be reviewed at any time to determine whether it is working successfully or not.

**Drivers –
Why Developed**

In creating this program, Booz Allen wanted to provide an additional flexibility option to employees and formally address teleworking in its Flexible Work Arrangement policy.

**Implementation
Approach**

Booz Allen's Total Rewards Team led the implementation effort with employee involvement on many levels. The program was socialized (reviewed and discussed) with many different teams within the firm. They got their buy-in, identified issues, and identified different perspectives. A very thorough process was used to make sure the program was socialized and that all of the recommendations and input were considered.

Five core teams of 100-400 people each were identified to pilot the program. These core teams were supporters of flexible work arrangements and teleworking. The core teams of managers, employees, and staff members were asked to test the policy and also to help test the tracking mechanisms for the policy. After a 6-month pilot period, HR gathered feedback and assessed it, determining changes needed to be made, or if the draft policy needed to be modified. Any necessary changes were made, leadership gave its approval, and then there was a full scale roll-out that included a communications campaign.

The new policy was communicated via e-mail, directing people to the HR intranet site for the policy, guidelines, and additional information, and to the time reporting system for frequently asked questions and guidelines pertaining to recording non telework and telework hours. A telework mailbox was established to answer any further questions from staff and their managers.

Obstacles

Some of the biggest obstacles to this program were:

- Receiving consensus to guidelines around the definition of base office location and travel expense reimbursement.
- Managers' initial hesitancy around how to implement the program. Did it mean that everyone had access to teleworking if they asked for it? How could they say no? How were they supposed to manage individuals who were not located in the same location as they were?

How Obstacles were Overcome

Obstacles were addressed by the following actions:

- Guidelines were established that left some decisions to managers' discretion.
- Training, guidelines, and "questions to ask" were provided to managers to address their concerns.

Benefits

Some of the benefits of Booz Allen's teleworking program are that it:

- Demonstrates that the firm really does value its employees by giving them the flexibility that they need--both informal and formal teleworking opportunities.
 - Demonstrates that Booz Allen is being proactive in addressing environmental issues by decreasing the number of commuters to its offices.
 - Helps instill Booz Allen as an employer of choice by enhancing both recruitment and retention.
 - Increases productivity in staff because they feel valued and trusted, and because they spend little or no time commuting.
 - Helps staff balance their work responsibilities and personal commitments more effectively, reduces commuting time, and increases morale.
 - Helps Booz Allen, as a global firm, conduct business across many time zones, from Hawaii to London.
-

Measurement

Both the number of people in the program and the number of telework hours are tracked. The time recording system was enhanced to track telework hours. Approximately 54% of the population has participated in a formal or informal telework arrangement. There has been a large increase in utilization over the last 2 years.

Factors in Success

The major factors in making this successful are that:

- The culture at Booz Allen is supportive of the telework program, including the hardware and software resources that are made available to employees.
 - There are program champions--senior leaders who communicate and demonstrate their support.
-

Employee Comments

“It has increased my loyalty to the company both because they are doing something so great for me, it makes you like working there more, but also because, you think, well, what’s the alternative if I leave? Could I ever leave this company that’s allowing me this kind of flexibility and go to a company that doesn’t know me from Adam and wouldn’t allow me to do that. That’s a lot to give up, in addition to pay and benefits and things like that.” “They’d have to offer me a lot more for me to want to leave because of the flexibility that I’m getting here.”

“I didn’t necessarily want to be a stay-at-home-mom. I like being employed. I like writing. I like doing something and like the income, of course. But, (with the teleworking arrangement that I have), I am able to be both. Technically, you could say I’m a full time stay-at-home-mom. Whenever the kids are here, I’m home. But, I’m also a full time employee and I feel very valued that way so that’s nice.”

– *Beth Mancuso, Marketing and Communications Associate*

Recommendations

- Do your research
 - Learn the culture of your company.
 - When designing your program’s policies, definitely socialize the concept and get feedback from many teams and departments because that is very helpful in terms of advising and formulating something that will work well for the firm.
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Program***Teleworking*****Description**

The teleworking program at Lilly is for employees who do their work full time at home. It does not include people who travel a great deal such as sales representatives or people who work in clinical trials. The company provides ergonomically correct office furniture, a Lilly computer (laptop or desktop), a printer/fax/copier/scanner device, high speed connectivity, and an additional telephone line.

Teleworkers receive a full day of training that includes technical training (equipment, software, etc.) and a half day of training with their direct supervisor discussing communication, performance management, team meetings, how to get in touch with each other, how often they want to have one-on-ones, and so forth.

Administration

The Work-Life Consultant provides general oversight for the program. Hands-on administration is provided by a designated resource in the IT department with assistance by an administrative resource from the work-life department. Program training is provided by an outside resource under the direction of Lilly's work-life consultant.

**Drivers –
Why Developed**

An internal work-life needs study of Lilly's US workforce conducted in the 1990s highlighted how really non-traditional the workforce was becoming. The CEO at the time, Randy Tobias, aggressively challenged the status quo and started cultural change initiatives, especially in the area of work-life. Although at the time there was a perception that the families of Lilly employees were mostly traditional, the results of the study revealed that the company in fact had a very diverse population with all kinds of family situations and needs. Research into flexible work arrangements established these clear business benefits: productivity, retention and work/life balance.

**Implementation
Approach**

There was an initial pilot program conducted with local employees from the Indianapolis corporate center. The pilot results were positive, and recommendations were taken to the Senior HR Council. The proposal was accepted and the program was rolled out as another offering in the suite of flexibility options that already included flex time, part time, job share, and leaves of absence. One additional flexible work arrangement introduced after teleworking was Lilly's compressed work week alternative.

Obstacles

There were two main obstacles to the program:

- Supervisors did not believe they could effectively manage employees if they could not see them working.
 - IT was not set up to properly support the program at the time. The IT organization did not see the benefit of providing a focal point to own all the IT issues. It took some time for the IT organization to understand and be able to support the additional IT requirements of individuals working fulltime from home.
-

How Obstacles were Overcome

IT concerns were overcome by continued talking and working with the IT group, and also by presenting them with metrics showing the challenges that teleworkers faced as they worked to set up their home offices, particularly from a technical perspective. Presentations were made to IT management who understood the challenges and agreed to dedicate a resource.

The “line-of-sight” management issue was harder to address, and is still present to some extent. Resulting from a separate initiative, the performance management process had already been revamped to make it much more outcome-based and less activity-based. Training for managers of teleworking employees also helped. The workforce has become increasingly dispersed --with teleworking becoming a valuable tool for retaining employees who must move away from a corporate office. This reality has helped demonstrate the value of the program and has helped overcome resistance as well.

Benefits

The main benefits are:

- retention / increase in employee loyalty
 - productivity gains
 - company branding and reputation (Fortune & Working Mother lists)
 - recruitment
 - improved work/life balance for employees
-

Measurement

There is a designation in the company’s SAP system that allows the company to track teleworkers. There are currently 160 teleworkers. The number has doubled in the past five years.

Factors in Success

The key factors in success of the teleworking program were:

- early championing of flexibility by the CEO
 - perseverance by the Director of Work/Life
 - getting IT on board
 - training
-

Manager Comments “We don’t really recommend it for people new to Lilly or new to the team, because it’s really something that you – I feel that one really needs to establish relationship with customers and their peers and other folks on the team before they’re able to telecommute.”

“I think they’re able to get more work done. I think they’re able to stay focused, because, they sometimes don’t have all the distractions that occur when you’re sitting in the office.”

– *Team Leader for Neuroscience Global Medical Communications*

Employee Comments “And my boss, at the time, she called me over and she said, ‘So, Melissa, we can tell you really love the job. We really enjoy your work. She said, ‘Lilly has this official teleworking program. And we’d like to consider hiring you on as a full-time employee and let you join the teleworker program.’ ‘Here’s the number of the person to call within the company to learn about the program.’ And she said she would support me in doing that. And I gave her a big, giant hug.”

“It was fantastic. To me, it was the greatest thing because I was really conflicted in that I loved the job, but I felt like I was -- I’m not going to stay in the position because of the location. And, I was able to stay in the position and move. So that was -- it was perfect.”

– *Publications Coordinator for Cymbalta*

- Recommendations**
1. Do a pilot; have data to demonstrate the business case.
 2. Get IT on board early to provide effective support.
 3. Set up your performance management system to focus on outcomes, not activities and face time.
 4. Provide good program documentation that is readily accessible. Use this documentation to emphasize that teleworking is not right for everyone—ie, not all jobs can be done remotely and not all employees are suited to work remotely.
 5. Formalize the program—insist that participants and their supervisors attend required training and provide the proper tools for teleworkers: ergonomically-correct office furniture and fully supported computers, faxes, printers.
-

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Program***Virtual Call Centers*****Description**

At Dell, employees can apply to work in Virtual Call Centers. All of the job requirements, policies, pay and benefits are the same as working in a regular call center, except that the employees work from home. They need to meet some additional criteria including the ability to work effectively without a lot of management involvement, to be a self-starter, and to show that they will not have too many family distractions. When they work at home, they maintain the same schedule as if they were at work, including breaks.

Administration

Employees complete application forms as if it were a job posting. They explain how they will make the adjustment to working from home and complete a safety checklist for their house. Their families have to sign agreements saying they won't bother the employees while they are working. Employees are then interviewed and selected or not, based on the manager's assessment.

**Drivers –
Why Developed**

About two years ago some executives at Dell read an article indicating that all of Jet Blue's reservation agents work virtually. They did a benchmarking project with AT&T, Boeing, IBM, Jet Blue and other companies who reported productivity gains in the 20% range and savings on facility costs. These executives arranged for a pilot of a similar program at Dell and it worked reasonably well. Productivity was enhanced and there were savings on facility costs. Employee retention showed to be a big benefit as well.

**Implementation
Approach**

After the initial 6-month pilot program, they evaluated the impact of the program and then began launching additional virtual call centers at various company sites in North America. Each site started with a fairly small group of fifteen or so and then added additional groups in small increments. There are currently nearly 500 virtual call center agents working at five different company sites.

Implementation across the various sites has been coordinated by one "Work-from-Home" Program Manager. Initially there was a central core team composed of one Telecom Engineer, an IT Support person, an IT Project Manager and an HR person to resolve issues. As they move from site to site, there is a core team at each site that supports the implementation.

In addition to recruiting in-house people, Dell has also partnered with the U.S. Army Spouse Employment Program to recruit and hire Army spouses of the company's deployed soldiers. There is often a shortage of jobs near military bases, so this is a good source of labor. Employees can also move to different locations and still maintain their job with Dell. Training is done online or either at the military base or at one of the Dell sites.

Obstacles

Some of the obstacles encountered were the following:

- management resistance to the new paradigm of working from home;
- acquisition of the right technology to allow people to work effectively from home;
- getting management approval for the additional hardware (notebook computer) costs;
- resolving legal concerns about security and privacy;
- helping work-from-home employees feel part of the Dell culture.

How Obstacles were Overcome

The implementation team worked to resolve technical issues as quickly as possible. Management resistance was overcome by focusing on the benefits to Dell and telling the managers about the experiences of the benchmark companies. They also explored scenarios with them – “How do you know if someone is really working?” As they thought about this they realized that reviewing the data was more effective than watching them in person. Managers were also allowed to determine whether employees were qualified to work at home or not.

One of the methods used to keep employees part of the Dell culture is to rotate groups every week or so. One week they are working from home and the next week they are at the office. In situations where employees are working fully from home, employees are expected to come into the work site at least once per month.

Benefits

Dell has seen the following benefits from this program.

- Productivity has increased.
- Employee retention has improved significantly.
- “Resolve Rates” for client problems have increased; “Escalation Rates” have decreased.
- Facility costs have been reduced.
- Community relationships have been built.
- Dell has been able to attract qualified workers.
- Employees save money on gasoline and food.
- Managers can spend more time working on projects and less time walking up and down the aisles to make sure people are working. Floor spats no longer occur. Employee performance ratings are more objective.
- It has changed the company culture in that it has helped employees and managers think differently about how to get work done.

Measurement

Dell tracks the number of people who are participating in the program. Utilization is substantially higher in two of the call center sites than the others. Performance metrics of the virtual call center workers are tracked and compared to the regular call center workers. There are also employee and manager surveys done on a regular basis.

Factors in Success

There was a great deal of thought put into the processes and policies supporting this program: IT support, Telecom support, IT infrastructure, management models, training. That has had a major impact on the program's success.

Management buy-in has been essential to the program's success. As additional organizations have gotten started there has been much success and little resistance.

Manager Comments

"I am still very much a huge advocate of work from home and I think every company should offer it."

"I think they are able to do a lot more, because they don't have the noise around them. They don't have people poking at them saying 'Hey I got a question, can you answer it for me?'. Which is a positive, but it can also be negative because they can't turn around and say 'Hey I got a question, I don't know how to fix this.' So they have to wait for somebody to respond to their instant message that they sent out or something like that. Usually it's a quick response, but initially when they first go out, it's a little bit difficult for them because it's just so quiet. And it's always really loud here, in the call center, because they are always talking."

"I have the ability to be here all the time right in front of them. I can share my time more effectively. I can see what's going on. Not running around the building and then even when I'm in meetings, I bring my team with me because they're on my notebook."

"These guys are happy, and you don't find a lot of that in the call center business and they are ecstatic about it and that's the biggest benefit ... they don't want to do anything else."

-- Sue Vinson, Technical Manager

Employee Comments

"With the kind of environment we work in, it's very easy to track that sort of thing because everything is measured and put in spreadsheets. My statistics went up within a couple of weeks, everything started to get better. That was the general rule for everybody that did the work from home. Everybody's numbers started to get better within a couple of weeks. Yeah it was very successful. They were quite surprised by the results, actually."

"I think the biggest thing that is going to help the company is that people aren't going to quit the job. It's going to help with retention a lot."

"It's not good for everybody. There are a lot of issues with staying focused from home and not playing computer games all the time and disregarding the customers, things like that. But for most mature people, it would be a really good program. ...the big thing with working from home is you have to be independent; you have to be able to solve your own issues without a lot of babysitting."

-- Chris Knol, Technical Support Representative

Recommendations

Make sure that you have buy-in from all of the needed support groups (HR, legal, IT, Telecom), before you go down this path. Come up with a strong core group that can get issues resolved and build the processes and procedures that are needed for a *Work From Home* program.

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On and Off-Ramp Programs

- Deloitte & Touche: Personal Pursuits Program
- Intel: New Parent Reintegration
- MITRE: Phased Retirement

Program	<i>Personal Pursuits Program</i>
Description	<p>The purpose of the Personal Pursuits Program is to remain connected with individuals who resign from the firm, generally to take care of children or sometimes elders. For those who need to remain certified as CPAs, the program helps them get the needed continuing education. Participants in the program have access to the organization’s learning center and virtual learning center. The program also helps them to maintain their business networks. Deloitte has found that one of the things that falls apart for people, and why they perhaps don’t come back after an extended time away from the firm, is that they lose their business contact network. Participants in the program choose a mentor within the company who helps them stay connected.</p> <p>If participants want to do some part-time work, they can do it with Deloitte but they are not allowed to work with anyone else. Deloitte generally has such ongoing talent needs that they don’t have any problem bringing these employees back into the organization.</p> <p>In selecting people for the program, the company looks for people who are satisfactory performers and have a truly sincere wish to return to the firm. They need to return within 1-5 years.</p>
Administration	<p>The program is administered by a person in the national benefits group who is the contact person on procedural matters. Deloitte has assigned a Career Coach within its internal career consulting function (Deloitte Career Connections) to champion this program. She will stay in touch with mentors and with people who are in the program.</p>
Drivers – Why Developed	<p>The Personal Pursuits Program was developed for the following reasons.</p> <ul style="list-style-type: none"> • The company has an investment in the people which it wants to recoup. If people leave and then come back, the company recovers at least \$150,000 in costs. • The demographic facts of the next generation will make it harder to recruit good people.
Implementation Approach	<p>There was an initial pilot program through the company’s Women’s Initiative. They worked with the human resource function and regional HR leaders to identify people who had left the firm that would be good candidates for the program. People were asked if they would be interested in this program, and about 18 to 20 were identified for participation.</p>

Those who agreed to participate were assigned mentors and started in the program. Initially there was some difficulty getting the company intranet clearance for these 18 to 20 individuals, and there was a little bit of a hiatus in order to get the needed organizational cooperation. At the conclusion of the pilot, participants were interviewed to determine what was working and what was not. In some cases there was difficulty with the mentors; participants wanted the mentors to be a bit more active with them. Once people are at home with children or elders, there is a feeling of “out of sight, out of mind” on both sides.

After the pilot, the program was rolled out to the company as a whole. At least one person who participated in the pilot came back to work at the company after about 15 months.

Obstacles

The biggest obstacles encountered have been as follows:

- Gaining access to the intranet for people who have left the company required work from multiple organizations.
- In some cases people don't believe that the organization is telling the truth when it says it wants people to stay in touch and come back to work.
- Deloitte has so many things to offer and so many competing demands on people's time, that it is hard to keep this at the top of people's consciousness.

How Obstacles were Overcome

When obstacles were encountered, the leaders of the program presented the business case. It was pointed out that the cost to the company of losing someone is twice their salary.

Benefits

The benefits of the program are as follows.

- It shows that the organization is serious about flexibility and choice, which is a very critical thing that people are looking for.
- It shows that Deloitte values people and is willing to go the extra mile to keep them connected and give them “on and off ramps”.
- Former employees keep their business contacts and they have a facilitated way to get their certifications.
- The program is cost effective.

Measurement

The number of people in the program is tracked. There are currently about 46 participants. About 1 additional applicant per month. It is hard to know what the number should be.

Factors in Success

The main success factors are as follows.

- It is a very sound program that meets the business need.
 - The program was initiated by top management.
-

Manager Comments “[My first reaction to this program] was very positive -- very positive. Once we’ve had someone internal that we’ve trained for that many years and who knows how our system works, and we know that they’re good, and they know the clients, and they know the people, we really like to retain them. So if there’s any way we can get them to come back when they’ve had to leave, then something like this that would help us is a great thing.”

“Hopefully they do return to the firm. And really even if they don’t, hopefully they retain a positive sense about the firm, and even if they don’t come back to us for whatever reason, they still will be loyal alumni, and that’s always a really good thing to have.”

– Julie Keeney, Senior Manager

Employee Comments “I would say the program is fantastic, to begin with. But, basically, the easiest way to describe it is it’s like a sabbatical. It’s unpaid, but for up to five years, I can still be associated with Deloitte. They will pay for my CPA license, my continuing education and my AICPA membership or any other memberships that I have relating to being a CPA. Additionally, I can attend national training, if I’d like to for my continuing education, and I can also go to offices and still be included as part of the office or as part of the firm without actually being employed. And then the theory is, whatever timeframe, up to five years, would be that I would go back. I am not legally required to go back, and they are not legally required to take me back. But the purpose is to keep me affiliated with the firm and my CPA license and everything current and my skills current, or as current as they can be when you’re not working.”

“The support and encouragement I got to do it definitely increased my love of the firm or however you want to say it. I definitely was very appreciative of Deloitte doing that. It was a very hard decision to quit, although I knew that I really didn’t have an option, since I was going to be moving so far, but I really loved my job, and I loved the San Diego office, and they were so supportive and so encouraging of me doing it, stay connected and want me back if and when we moved back to San Diego or anywhere else there’s a Deloitte. So this program definitely increased my loyalty to the firm.”

– Tina Swenson, formerly Tax Manager, Deloitte & Touche

Recommendations If there is no identified top-down champion for a program, it can open the doors for a work-life advocate to get into various levels of the organization that really do the work. It is very important to pick a leader and to help them have the vision.

In the work-life role you can’t be seen as a zealot or some hopelessly touchy-feely type. You have to be seen as a business person who has some compassion about people’s difficulties, who ultimately helps give people tools to achieve the flexibility and choices they need.

**Another Program
of Interest**

Another interesting program at Deloitte is a reduced work arrangement program where participants actually reduce their hours. As long as they have 60 percent or more of a normal schedule, they can continue on a promotion track, albeit at a slower level than if they were 100 percent. Participants are still eligible for promotion and 100 percent of benefits, and are still eligible to accrue vacation time.

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Program***New Parent Reintegration***

Description

The purpose of the New Parent Reintegration program is to provide a smooth, planned transition back into the work force after either a pregnancy leave or a parental leave. The program allows up to a year of integration time following the end of a leave period where employees can do a number of different things, at the discretion of the employee and the manager. The employee can work part time on a temporary basis, whether it is six months or the full twelve months. If he or she needs more flexibility in the way the schedule is structured, whether it's a different start or stop time, or a different configuration of the days themselves, the program allows for these types of accommodations.

Administration

In most of Intel's flexible work arrangements, an individual employee works with his or her first line manager to negotiate a specific solution for the specific situation. There is not a lot of tracking of flexibility arrangements at a corporate level. There is no corporate database and no formal approval process. The company does not want to introduce these elements of inflexibility into its flexibility programs. Basically the administration is carried out by the employee and the manager.

**Drivers –
Why Developed**

Intel was responding to some issues that came out of some targeted surveys and studies that related to the retention of women. Intel found that many employees (predominately new mothers) were having a hard time coming back from leave. It was difficult to go from being one hundred percent on leave to one hundred percent back at work, and there was not a lot of middle ground between those two. Having such a program was one of the ideas that surfaced that employees felt would make a difference.

**Implementation
Approach**

The New Parent Reintegration Program was first created in Israel with sponsorship by the General Manager of the factory there. It was also piloted in the IT organization and the HR organization. At the corporate level there was some re-organization going on at the time. Instead of doing a big roll out that might be seen as being in conflict with the corporate messages at that time, they opted for a quieter approach. They got the message out to the necessary people through some of the big stakeholder groups and employee groups: the women's network, the parents' network and the work life network.

Obstacles

The biggest obstacle was how to communicate this program, how to strike a balance between being really directive on one side and trying to empower discussion and dialogue on the other side. The company needed to find that right balance between saying here are the ways that you can use it without having it seem like those are the only ways that you can do it.

How Obstacles were Overcome

Generally the corporate policies are fairly open-ended and contain examples rather than requirements. Sometimes the businesses may add additional rules or guidelines.

Benefits

The main benefits of the various flexibility programs are as follows.

- They improve productivity.
 - They increase engagement and retention.
 - There is an intrinsic value in doing this because it is the right thing to do. The program says a lot about commitment as an organization, that you really do value and trust your people in making good decisions and being responsible for their own work and their own time.
-

Measurement

In general, utilization rates are not tracked for the various programs. In the U.S. about 20% of workers (primarily factory workers) are on a compressed workweek. Less than 1% of employees work part-time. These are the two programs where utilization rates are tracked.

Factors in Success

The main factors in overall success have been:

- persistence
 - consistent messaging
 - senior management involvement and support
 - visibility of the program
 - flexibility in the approach.
-

Manager Comments

“Become as familiar with the program as you can. Read every guideline. Make sure you understand what it is before you say ‘yes or no’. And then leave it up to the employee to figure out how it’s going to work. Don’t try and get the solution yourself, because you probably don’t understand everything about what the employee wants. Let them come up with the solution. And then tweak it as needed to meet business needs, but put the onus on the employee to figure out how it’s going to work. And then you make a decision from there.”

– Joe Watkins, Engineering Manager

Employee Comments

“The challenge with my old group was the reason I left. I was disheartened. I was there for 5 years, and was really frustrated [that they couldn’t make a flexible work arrangement work]. I have the complete opposite experience with the current job. I’m not treated as second class. I like to tell about the current solution and communicating it. It’s very dependent on the team and manager. The job wasn’t the best fit as well. The initial response to my request was a clear indicator.”

– Lisa Depew, Technical Marketing Engineer

Recommendations

One recommendation is to have flexibility in your approach similar to what has been done at Intel. Don't be obsessed over what other companies are doing. It really has to be driven internally first, in terms of what are the right programs and guidelines. You really need to have a commitment to do it. If it is just a surface level commitment, no philosophical emphasis on any of this, then you are better off not doing it at all.

You need to have one or more people whose formal job is managing these programs. There needs to be some organized concerted effort if you really want it to take hold.

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Program***Phased Retirement***

Description

In the early 1980s MITRE introduced a phased retirement program that allows employees age 59½ and older to reduce their hours and begin to collect retirement benefits. Employees move to a regular part-time schedule - at least 20 and less than 40 hours/week. They can collect retirement benefits from all of the voluntary portions of MITRE's retirement program but not the qualified portions of the program. If they are scheduled to work a minimum of 30 hours, then they still get the full subsidy on their health insurance plan, but if it's less than 30, then they have to pay a greater percentage of the costs.

Administration

Employees complete a form to apply for the program. The application is routed through HR, and up to the senior management for approval. If approved, then a Human Resource Transaction is done to update the employee database appropriately. Employees work with the HR service center to help them apply for annuity payments.

**Drivers –
Why Developed**

Peoples' best recollections (this was more than 20 years ago) are that some employees asked the benefits people if such a program could be implemented. In response, the company discovered that MITRE's retirement contribution plan offered a lot of flexibility in terms of being able to offer such a program. The program was relatively easy to put in place and did not cost the company any money. Since then, having the plan in place has become a real asset for the company.

Obstacles

Other than the effort to research the retirement plans and legal regulations, there were not any significant obstacles. The company simply needed to perform its due diligence.

Benefits

The largest benefit is being able to retain capable staff members for a longer period of time. MITRE provides options to the employee, and in turn, the employees feel good about the company – their loyalty is increased. Working with employees in a life cycle type of approach, depending upon where they are in their careers, has been very beneficial to the company. They see it as a win/win. The company gets loyal employees and retains their knowledge, their skills and the relationships they have with important clients. The employees get more flexibility and reduced time at work. They get to ease into retirement and it gives them a period of time to make some decisions and some adjustments. And financially, employees are protected because they have retirement annuities to bridge the gap between their part time salaries and their prior full time salaries.

Measurement

At any given time there are approximately 12 employees participating in this phased retirement program. This is less than 1% of the MITRE employees.

The company also collects employee survey feedback on its work-life programs. For the question “my company encourages work life balance”, MITRE received a 90% favorable approval rating, 10% above the average of the other 99 companies that made the Fortune listing.

In the Computer World listings for the question “I am able to balance my work and personal obligations” MITRE had a 92% favorable approval, 22% above the average of the Computer World listed companies.

Factors in Success

The main success factors have been low program cost, and ease of administration. It has gained in importance as the maturing work force has become a more important issue in society and in the company.

Manager Comments

“I think it’s important for the employee to feel like they have the maximum flexibility we can give them to balance work life in a way that is positive for both work and life. We know what it’s like to have people burn out. We know what it’s like to have people feel underutilized. As long as I, as a manager, feel that the employee is trying to do the best by the work needs as well as be realistic about their other commitments, then I’m supportive.”

“My personal experience is that we’re finding that engineers and researchers are productive and interested in being productive much longer than, for example, government retirement ages. We have a slightly different situation at MITRE as opposed to a lot of the for-profit world in that we’re trying to not only maintain unique expertise, experience and just knowledge of specific programs, but also security clearances. So, we have lots and lots of motivation to be flexible -- I can’t think of any negative examples where we’ve offered somebody flexibility and it came back to cause a problem.”

– Erik Hughes, Department Head and Senior Principal Staff

Employee Comments

“For people that select this phased retirement, I think it helps ease them into retirement on a gradual basis rather than have this be, you know, an all or nothing proposition. You’re breaking your neck at work one month and then the next month, you’re retired cold turkey. For me, that’s just not the approach that I wanted to take.”

“I think it’s boosted my opinion of MITRE even higher than it was.”

– Joe Wood, Principal Engineer

Recommendations

The biggest challenge is to offer employees a program that allows them to work part time and have access to retirement funds. Given today's rules, there needs to be some sort of defined contribution retirement plan to facilitate this.

Consider surveying employees to see if there is a need before a whole lot of work is performed.

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Alternative Work Schedules

- Raytheon: 9/80 Work Schedule

Program *9/8o Work Schedule*

Description All salaried employees at Raytheon Missile Systems are strongly encouraged to participate in the following two week schedule:

Week 1: Monday - Thursday 9 hrs/day; Friday 8 hours

Week 2: Monday - Thursday 9 hrs/day; Friday off

Employees can opt out if there are extenuating circumstances. There are actually two different schedules A and B which have different Fridays off. Hourly employees are unionized and have consistently rejected the 9/8o work schedule.

Administration There is a written policy that describes the program and the options. Employees are put on one of the schedules and then tracked using time cards.

Drivers – Why Developed The company President Louise Francesconi initiated it in 1997 to:

- boost recruiting efforts, particularly at colleges, and to
- retain good employees.

Implementation Approach HR formed a cross functional team with various players who might be affected by it, and came up with this schedule. It took a lot of research to see who was doing it and who was doing it effectively. How did they deal with holidays and people who couldn't make it work? How did they deal with people who needed to be supervised who worked on the different schedules? It took months to really come up with a workable model. Then it was rolled out to all the salaried employees at once.

Obstacles There were a number of obstacles to be overcome.

- The new schedule was a big change for people.
- There were a lot of worries about car pools, child care and other personal scheduling issues.
- Concerns were raised about not being available to customers and other company business units on the regular Friday off.
- There were some concerns over the length of the 9 hour working days.

How Obstacles were Overcome Obstacles were overcome in the following manner.

- Managers permitted the needed adjustments. Some employees were allowed to stay on a 40 hr./week schedule. At least one employee worked half-days on all Fridays. Some employees delayed going on to the new schedule.
- Customers and other organizations were provided emergency contact information and informed about the schedule.

Benefits

There have been many benefits to having the program.

- It increases employee satisfaction. Employees love having the Fridays off. It gives them one extra day to get things done and reduces the pressure.
- It has been a big selling tool for recruiting.
- It helps retain good employees.
- It reduces the need for other flexibility arrangements that may cause scheduling difficulties for the manager.
- It reduces absenteeism.
- It increases productivity.
- It provides an extra non-weekend work day when it's needed to meet a deadline
- Reduces traffic congestion on Fridays

Measurement

Approximately 8,000 out of 11,000 employees in Missile Systems are on this plan.

Factors in Success

The main success factors were:

- rolling it out across the whole organization at once, and
- making it the expected way of working, but allowing employees the flexibility to vary from it if they needed to.

Manager Comments

“Productivity has increased. There’s a different mind-set: i.e. people are more willing to come in on the Friday off if they needed to do overtime, as opposed to the reluctance to come in on a Saturday or Sunday. [They are] willing to come in on a Friday regardless of whether they will or will not get paid.”

– Trindy LeForge, Senior Principle Software Engineer

Employee Comments

“Give people the flexibility they need and I think the key thing is just hold people accountable - be clear of what you expect from them and what you want from them, and when the deadline is, and get an agreement and hold them accountable. And as long as you hold people accountable and everyone’s clear on what the goal is, then flexibility is just what people need. It’s the way the world is changing.”

– Teresa Schmitz, Project Manager in the Information Technology Department

Recommendations

- To ensure successful implementation, top management support is a must. It is crucial that they are part of the vision.
 - When you are designing and implementing the program, make sure that you form a really good cross functional team that touches all areas of the business.
 - Roll it out to the whole work force at once.
 - Be aware of the labor laws in your state so your policy is aligned with them
 - Engage your labor union in the development of your program early on to get buy-in if you want them to be included.
-

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Linked Business Results and Flexibility

- American Airlines: BOLD Initiative
- Best Buy: Results-Only Work Environment (ROWE)

Program***BOLD Initiative*****Description**

The BOLD Initiative strives to improve productivity and teamwork while providing flexible work arrangements as a catalyst for the improvements. The concept comes from the not-for-profit group called the BOLD Initiative, who is studying workplace flexibility via support from a grant from the Sloan Foundation.

Workgroup teams create a charter for both the flexibility they want as individuals and as a group (how they will support each other), and also define metrics and improvement goals that they plan to achieve. To achieve the goals, they need to work together to improve their processes.

Employees use flexibility as a catalyst to plan their work differently and become more effective both as individuals and as a team.

Administration

- The program administrators (Cheryl and Beth) provide the tools to get it started and the teams, with the support of their managers, are responsible for making it happen.
- Every 90 days the teams and their managers review the results and either re-contract by setting new goals for the next quarter or determine that they will not continue in the program.
- The administrators hold quarterly meetings with representatives from all teams to enhance accountability for results and create a platform for sharing best practices.

**Drivers –
Why Developed**

The mindset of employees is different now than it was in the past. In order to attract and retain new employees AA recognized that they needed to function in a different way. The company has had a massive continuous improvement effort since 9/11. Tied in with that has been an effort to build cooperative teams. This new program supports all of these efforts. At the same time there are things that are very difficult to change because they are so deeply entrenched in an eighty-year-old culture. For example, there has been a very strict policy around attendance. AA employees can't say to you-- "Sorry, you can't go on your flight because we aren't working today."

**Implementation
Approach**

The program was piloted in the Fall of 2006 using help and support from areas where the program administrators had built key relationships. It was expanded in a grassroots, "not dictated," purely volunteer way. Even in groups where there was success, some of the counterpart groups were skeptical and may not have been ready for this. The approach requires confident managers who can let go.

Obstacles

Some of the obstacles they have faced in implementing this program include the following:

- cultural interests and past history;
- apprehension around being accountable for results without having the same face-to-face access to people as in the past;
- flexibility options for one team that another team doesn't have;
- the sense that people are too busy already, and can't take on more aggressive goals;
- lack of team orientation of some groups - where employees are more likely to work as individuals;
- lack of trust among team members; and
- conflicts with existing policies.

Overcoming Obstacles

American Airlines has done the following to overcome the obstacles that occurred:

- conducted lots of open dialog sessions;
- encouraged groups to talk with others that have tried the approach;
- avoided pushing it if a group wasn't ready to try it; and
- included a member of the policy team as part of the effort.

Benefits

Some of the benefits of the Bold Initiative are the following.

- Productivity has increased.
- Cost savings have been realized.
- Retention has improved
- Work groups better understand each other better; teamwork is better.
- People are more connected to each other, are more able to focus on the right things, and have better solutions than they had before; they choose accountability.
- Employees are engaged in their work and really motivated to make improvements.
- People feel respected, that their ideas count.
- Family relationships have improved, mental health is better; employees are more satisfied; their ability to concentrate on their work is higher.
- Managers trust their employees more.

Measurement

Some of the ways that progress is monitored include the following:

- tracking program utilization - number of teams and number of people participating;
- tracking performance metrics that each team maintains;
- having debrief sessions at 30, 60 and 90 days within the 1st quarter of implementation to see how the teams are progressing; and
- having quarterly meetings with representatives of each team to track progress and share best practices.

Factors in Success

Some of the factors that are helping this succeed include:

- the marriage between helping the company with productivity and providing flexible arrangements for employees;
- the fact that it is a team-based approach, where teams figure things out for themselves.

Manager Comments

“(When I first heard about this program) I was thrilled. I thought it was spot on. It was right on. I have seen phenomenal results. People completely turned around. I actually have in my very first group an employee who was very close to needing disciplinary action because her performance was not meeting those of her peers. And right as this was being introduced, she was included in that group and has excelled and actually will probably be promoted in the next two months because it has completely turned her around. It’s the first time she said that she felt that her contributions as an employee have been recognized since the early nineties, which I thought was very interesting.”

– *Kel Graves, Manager of Onboard Service Finance*

Employee Comments

“I feel more responsible now, because we are more of a team. We need to meet our objectives and goals. Whenever I feel that I’m caught up, I try to go and see if there’s anything else that the others need to achieve so we are in line. We’re more of a team. Because before it was, you do this, you do that, and if you don’t do it, we’re all going to fail – too bad, that’s your problem. Now we’re more of a team. The whole objective of everything, it’s not you or you, it’s us. So we are all responsible. My productivity has increased. I have more time to do audits. At the beginning of the test program, we found a very big mistake, which we took back. We took back about \$300,000.”

– *Carolina Ioannou, Pricing Analyst*

Recommendations

- Make sure to meet the needs of your culture, and do not take a cookie cutter approach.
 - Make sure that you include productivity or metrics of some sort, with an expectation of continuous improvement with your flexible arrangements, and do it in a team fashion so that you have involvement and endorsement by people.
 - Communicate very well up front.
 - Start small and let it spread naturally.
 - Make sure you have a champion for this in each organization where you implement it.
-

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Program**Results-Only Work EnvironmentSM**

Description

A Results-Only Work Environment (ROWESM) enables people to do whatever, whenever they want, as long as they get the work done: "...in the park, in a coffee shop, in the shower. At midnight or 3am or on Sunday. Whenever and wherever."

ROWE is a cultural transformation that "permeates the attitudes and operating style of an entire workplace, leveling the playing field and giving people complete autonomy – as long as the work gets done."

"With a ROWE:

- There is no need for schedules
- Nobody focuses on 'how many hours did you work?'
- Nobody feels overworked, stressed out or guilty
- Work is not a place you go, it's something you do
- People at all levels stop wasting the company's time and money
- Teamwork, morale, and engagement soar
- There's no judgment on how people spend their time

ROWE is all about results. No results, no job. It's that simple."

A Results-Only Work Environment differs considerably from one with a number of defined flexible work arrangements.

- Employees do not need management approval to participate. The option is built into the culture.
- There are no individual policies or guidelines for different flexibility arrangements. Flexibility options are unlimited. The employee establishes and manages his/her own workplace and work schedule to get the work done.
- It requires accountability and clear goals. The focus is on "the work".
- ROWE is an adaptive solution to the overwork challenge.

Administration

The ROWE facilitators go through a migration path with working teams/divisions that consists of three phases.

Phase one is focused on educating the leadership of the team, usually anyone director level or above. They learn about the philosophy of a Results-Only Work Environment and what the business benefits are. Leadership tends to be fairly anxious and nervous about what is happening, although they know that in the end they will experience very positive business benefits. In this phase the facilitators do a pre-audit of the team/division culture to get baseline data on perceptions of the work environment at the beginning of this transition.

In the **second phase** the rest of the team learns what the results-only philosophy is all about. Facilitators host sessions that focus on eliminating language in the work environment that makes judgments about how other people spend their time. The facilitators refer to this language as “SLUDGESM”. An example of sludge would be the statement “It’s only 2:00 p.m. and Fred is leaving again. I wish I had his job.”

In this session the team learns what sludge is, how to identify it in the work environment, the types of sludge that exists and how to eradicate it. The company maintains that sludge in the work environment holds people back from being productive. Once a team works on eliminating sludge, the rest of the elements of ROWE fall into place more easily. Another session is dedicated to how people operate on a day-to-day basis in a Results-Only Work Environment, using tools that already exist such as Outlook or Lotus Notes. Teams also discover habits and behaviors that need to be modified in order to be effective in this type of environment.

When the team is on the verge of going live with ROWE, the facilitators do some sessions with management to be sure they are in a position to go live, and not feel the need to institute guidelines on top of a Results-Only Work Environment. Managers often get nervous again at this point.

In **phase three** the facilitators work with the teams to continue to grow the new environment. There are forums with individual contributors and managers to give them some on-the-spot coaching around different issues they might be experiencing. The facilitators recognize successes that are occurring. They also conduct a check-in survey and a post-audit to find out what attributes of the work environment are changing. This audit is the primary measure of how the culture is changing. After the audit one of the facilitators checks in with the teams periodically to identify their challenges and keep prodding them along.

Implementation

From the beginning, the company realized that the change was not something that you could push onto the organization. The change is pervasive. Managers and employees need to change how they operate. This philosophy of work gives control to employees. Managers have to rethink how they manage. So instead of pushing this on the organization, the facilitators used a “pull” approach. They talked with leaders who wanted ROWE for their area or division, and then waited for the leaders to pull them in. The facilitators did some of the initial phase one activities; if the leaders felt comfortable the migration moved ahead. The facilitators avoided taking on any teams where the leaders were skeptical, because they believed the leaders would inhibit the needed changes. They focused on teams and leaders who wanted ROWE enough to do the necessary hard work.

Drivers – Why Developed

At the end of 2001 there was an Employer-of-Choice group at Best Buy that had done some research and found that the employees at corporate headquarters were looking for more trust; these employees asked to be trusted to do their work and to make choices about living their lives. They were feeling constrained by the traditional work environment. One group of about three hundred twenty people entered into a flexible work arrangement pilot. They had four choices: they could either choose to take reduced hours, telecommute, compress their work week, or use flextime. They all chose one option and all were approved.

After about six months when the pilot was completed, the company found increased employee engagement and trust, along with higher morale. At that point Best Buy needed to decide whether to move ahead with the same program as the pilot, not do anything, or proceed with something different that might increase trust, morale and employee engagement still further.

Best Buy's research showed that other companies initially had positive experiences with flexible work arrangement-type programs, but over three to five years, people were not really taking full advantage of them. The researchers found that much of the lack of utilization had to do with the stigma associated with the choice to work non-traditional schedules.

One of the important leaders at the time was frustrated that the benchmarking and research were taking so long, and finally put a stop to it and told people to get started with something - organic, grassroots, whatever. So the task force was disbanded and the company decided to do something that would be completely differentiated in the marketplace, something that other companies were not doing. In 2003 the Results-Only Work Environment was born.

Obstacles

There have been many significant obstacles to implementing ROWE at Best Buy. People's core beliefs and behaviors need to change for it to be successful. They need to think in a very different way, and it is a very difficult change for many people to go through. It takes six to nine months to move a team from traditional methods to results-only. It is not simply putting another program on top of a current situation. Instead it is getting to the core of the problem and changing things at a fundamental cultural level. The core problem is not just "trust", but at an even deeper level, the problem is the industrial work model.

The industrial model of working was created in the industrial age to support assembly lines and skilled labor working during certain hours. Work was limited to forty hours per week so people would not be overworked. The rules that governed work were developed before the technology age, and we are still operating with that foundation that was put together when times were much different. Work and how it gets done have changed dramatically, but the culture of the work place has not kept up with the changes.

Not surprisingly, the biggest obstacle to this change was management resistance. There was a feeling in many of the people that this was “the flavor of the month” and would not stick. There was some apathy as well. People were afraid. They asked: Does the boss know we are doing this? Is he really all right with it? It was not rolled out in the way that programs were normally implemented, which is top down. Doing it in a top down way would have been counter to what the program was trying to do, which is to get away from the strong hierarchy and empower the workers to achieve the results.

There were also many policies that needed to change to be consistent with the ROWE philosophy: work hours, lunch breaks, absenteeism, paid-time-off. These changes were difficult to make while part of the organization was still operating in a traditional way.

How Obstacles were Overcome

The “pull” method used for implementation helped significantly with the issue of management resistance. A few teams at the beginning were willing to make this change and the positive results they achieved were communicated, and that helped reduce the resistance. Workers who were not participating began to give clear indication to their leaders that they wanted to participate. Ultimately those voices became stronger and stronger, and the leaders had to listen. The resistance was used in a positive way to get more of the population going through the migration. The people created the management tension, not the facilitators.

There were some leaders who simply refused to do it. The facilitators would tell them that they did not have to do it. That was one of the big benefits of the pull approach. Many of the managers who were initially resistant to the approach are gradually coming around as well.

New managers who join the organization often have some initial misgivings about ROWE. The employees are so strong now in their convictions that even if a leader expresses some thoughts that go against the philosophy, the employees’ first instinct is to educate him or her. They want to educate people who are entering this new culture and they want them to understand why this is so good for business.

Benefits

Some of the most important benefits of ROWE are the following:

- Increased productivity
- Reduced voluntary turnover
- Increased employee engagement and loyalty
- Improvement in business results
- Every employee can achieve work/life balance – live the life they want and have a job they enjoy
- Both managers and employees are very focused on results and measuring them effectively – that is critical for ROWE to work
- Managers and employees have more frequent “touch-base” conversations

- to talk about progress they are making to reach their goals
- Return on investment of the program is substantial
 - The company has become a magnet for talent because it so completely differentiated from other organizations
 - Managers enjoy their jobs more; they can focus on results and feel good about their approach to working with their staff
 - Everyone becomes more customer-focused, trying to figure out how best to help one another
 - The company culture becomes more efficient, effective, focused, inclusive, and it becomes happier as well
 - External perceptions of the company improve; the company is viewed as a progressive innovative company that unleashes peoples' talents

Measurement

Best Buy tracks the number of people who are participating in the program. Currently about 75% of the people in the corporate office are using it. The company hopes to be at 100% by the summer of 2008. They also hope to introduce it in company stores next year.

Cultural audit information is used to track the cultural change that is occurring and measure productivity gains. Some of the HR measures such as voluntary turnover are reviewed periodically to see what impact the program is having. There is also a regular employee engagement survey that provides a great deal of feedback on the ROWE program.

About two years ago members of the University of Minnesota Sociology Department became aware of the ROWE migration at Best Buy and have been doing surveys with the population. They have been shadowing employees in ROWE teams and non-ROWE teams. They have been observing all migrations in order to show the impact of a Results-Only Work Environment on employees' health and well being as well as that of their families.

Factors in Success

The main factors in the success of this program have been the following.

- The employees of Best Buy have worked through many issues to get to this point. It took a lot of courage to stand up to their leaders and tell them what was needed. They just kept fighting for ROWE in the face of significant resistance.
- The two lead facilitators (Cali Ressler and Jody Thompson) have shown a lot of resilience.
- There have been some very strong supporters from the top leadership team.
- The "pull" approach has been very effective in moving the program forward.

Manager Comments

"There [are] activities or times within your role [or] your responsibility where it's more conducive to be here. I think what we find more often than not, is individuals recognize that and they choose to be here, and they see the need for themselves to be here. So, I don't think it's as much entitlement as [just] a

recognition that, hey, during this time of the year, [like it's a] holiday, or for this particular role [it] may not be as conducive. Or it may mean different things for different individuals in those roles.”

“[If] I’m not physically there [at the meeting], I need to make sure that everybody is clear, everybody understands the issue, everybody knows what I’m looking for. And, you know, boom, boom, boom. Let’s get [to decision] point and then we can all get on our merry way - - and get those outcomes knocked out.”

[Does your supervisor encourage you to have the employees you supervise use this program?] “Absolutely. Tremendous encouragement up and down. And I think a lot of the encouragement that I personally received and have seen through my supervisor’s peers has been encouraging that self-discovery ... especially early on: ‘Try working from home’ or, ‘Try this.’”

“I felt a little bit of angst when I went in early [as a participating leader in ROWE]. But I also embraced it and said, ‘Okay. I’m going to see what this means to me.’ It helped me think about it differently.”

“My message to another organization is, you’re probably not going to notice an impact at all but the associates are going to notice a huge impact. It’s going to mean something to them more so than it will mean something to the business. The business will derive, of course, the productivity and the impact. And the people [may get] more crisp in meetings and drive the ball forward much more rapidly. But the impact on associate engagement - that’s where the real magic happens.”

“So, start small. Get a [core set of] evangelists. And learn from that. And [then] begin to role it out. I think if you try [the] big bang approach, there’s going to be more questions than [answers], and it probably won’t be as effective as learning as you go.”

– Tyler Rebman, Senior Manager, Enterprise Research and Analytics Group

Employee Comments

“Basically Best Buy has given its employees the ability to work wherever, whenever they would like. It takes an incredible amount of responsibility because you have an incredible amount of freedom, but basically I get tasks or I have websites that I need to make and I know when they’re due and up until that point it’s up to me to just make sure it happens. So, I don’t have to be here necessarily during the day. I don’t - - I can work from coffee shops. I can work from home. I can work from here but they’re really - - they’re just empowering employees to take control of their lives.”

“In the summer I travel around with a group of people and we see a lot of music and we do a lot of camping so I mean I will tailor my work load to the best that I can. For instance in the summers where I will get all of my work up front and I will just work like the dickens, like 10-hours days until I get it all done, and then I’ll take off for a week.”

“Morale is a big part of it because when I’m happy I’m happy to do my work. As far as productivity I can tell you we set a record in November for the amount of learning activities we posted to our learning management systems. So we put 43 websites out there in November and that was under ROWE. That number has - - we’ve never come close to that number before. I can tell you when we were doing that we were working - - I would work maybe a couple of hours in the morning, and then I’d jog around the lake, and then I’d come home check some e-mails. Maybe I’ve got to come in for a meeting, maybe I don’t. A lot of the times I was working in front of the TV during like a hockey game or a Twins game. We were working all sorts of hours during that [period] when we set a record.”

“I would say somehow I’ve become sort of like an Ambassador for the program here so I feel such responsibility that I need to not fail and need to make this program work.”

“It takes a lot of responsibility but I like it. And I love the fact that this program allows me to live my life the way I do. So, I just make sure I’m doing the best job that I can do for this company because I never want to lose this.”

– Mark Wells, E-Learning Specialist, Training Department

Recommendations

Be open to new ideas, new ways of working. Genuinely listen to your employees’ needs and do not dismiss ideas that challenge the status quo. Embrace the fact that you are different, but look for ways that you can adopt this philosophy to make your company better. Start by playing with pieces of this to help people get over their fear. Do not orchestrate who can use a particular benefit and who cannot. Include everybody. They all want to do good work. Work to change the negative language that is used around the company to diminish those using various flexible work arrangements.

Start with the foundation that you can trust people to do good work, and you can unleash them to operate in a results-only environment. Let them do whatever they want whenever they want as long as the work gets done. Operate under the notion and if they can’t get the work done, then they don’t have a job with you.

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Implementation of Flexible Work Arrangements

- Takeda: Work Paths
- Baxter Healthcare: Alternative Work Arrangements Proposal Kit
- PricewaterhouseCoopers: FWA Database
- IBM: Flexible Work Options - New Communications Strategy
- AstraZeneca: New Approach for Flexible Work Arrangements

Program***Work Paths***

Description

In September, 2004 Takeda introduced a program called Work Paths to its corporate employees. It includes an “off site path” (telecommuting), job sharing, part time and a “temporary path” which can be a short-term version (6 weeks to 6 months) of any of the other choices. Takeda has always offered flexible hours where employees can set their own hours within core time periods, and did not need to include this program in the rollout of Work Paths.

Administration

There are established guidelines for the program. Employees complete proposals that essentially make the business case for their requests. Proposals contain the following information:

- how the requested flexible work option will fit in with their current jobs,
- how they work best and most productively,
- what their days are like,
- how their business partners will be effected.

Each proposal is given to the appropriate manager, setting in motion a collaborative process between individual employees and their managers. They think through whether the proposal is appropriate and whether it will work for them. They discuss the impact on their business partners and whether it will create hardships for others. After revisions and agreements are made, the proposal goes through a management approval cycle. HR is available to facilitate the process as needed.

Implementation

A sub-committee of the diversity advisory board defined the work-life policies and practices for the company: what the initiatives would be, how flexibility would be treated, what the key business issues were, and what should be offered. The sub-committee was very involved in creating a program and making recommendations to the executive team.

There were sessions with the Takeda executive team to help them understand the various programs and options. These sessions had interactive exercises around work-life issues and how they should be managed. The executives debated each other about work-life choices. There were corporate story tellers to frame some of the discussions. They looked at a continuum of potential work-life philosophies and plotted the company’s position. The culminating exercise was to look at all of the potential work life programs, initiatives, and events that could be done and have the executive team connect these tactics to the philosophy and vision that they had articulated for the business. These steps were extremely helpful in moving things forward.

The Work Paths program was broadly communicated, including an e-mail from the President of the company announcing the program. Most of the managers (about 87%) were trained as to how to manage flexibility. There were brochures and posters and all of the information was available on the web-site. There were also optional sessions for employees where they could get their questions answered.

**Drivers –
Why Developed**

Takeda is a young company, and one of the early initiatives that the leadership team went through was a process of articulating the company's values. The president at the time had a vision for what the company should be like and felt that respecting people's personal priorities and valuing each individual was very important. Developing the company's values was a very powerful process involving focus groups with every single employee. These values became the foundation for work-life at Takeda.

Obstacles

Some of the main obstacles were:

- management resistance in some areas,
- lack of trust,
- managing by face time,
- poor experiences with flexible work arrangements in the past.

**How Obstacles
were Overcome**

There was more management trepidation than expected given the overall commitment and values of the company. Many managers were simply not used to working this way. There was a concern that if you give people different options for work, there can be a negative impact on productivity. They needed to really understand what the program was and what the intent was, and that this was a business strategy, not a perk.

There was not really a strong individual champion for the program other than the VP of HR who kept it front and center. There was overall executive support for it. The obstacles were largely overcome through training.

Benefits

The main benefits of the programs are:

- employee satisfaction,
- improved morale and commitment,
- employee retention.

Measurement

The utilization rate of the program is approximately 12%.

Managers and participants have been surveyed to see how well the program has been working. Managers feel it is a benefit to them in terms of employee satisfaction and retention. There is also an employee engagement survey that the company does that they try to correlate with their work-life program.

Factors in Success

The main factors in the success of this program have been manager training and organizational commitment. The program is fair to the employees and the company, and it is well integrated with the company's values. The fact that there is a consistent approach across the organization has been helpful as well.

The time spent with the executives was very well spent in order to get alignment and commitment from the executive team. If they had not supported it, the program would not have been successful.

A Takeda manager believes one of the success factors is having regular meetings with your employees on Work Paths (more at first) to check how things are going, gauge co-worker and customer reaction and see if there are any issues that need to be addressed. Do not let issues fester.

Manager Comments

"I thought a lot of people would probably -- I anticipated a lot more requests than I ever received, but I think it has more to do with the fact that, I think, we are fairly flexible and accommodating, just in general, with people's balance of personal and workplace. So, you know, if somebody needs to go pick a kid up from school, or run to the doctor, or stay home for the carpet cleaning guy, you know, it has never been a problem for us to just let people do what they need to do."

"When it works out, it is a win/win situation. The employee is happier and, as a manager, you have been able to repay an employee that you obviously value, or you probably wouldn't have let them be on a Work Path. So, it is really very positive. I mean, it demonstrates a commitment from Takeda that we are not just talking about having a work/life balance, but that we offer a program to make it work."

"It's harder, yes. It is just one more thing where, you know, as a manager, you have to exercise your discretion and make a choice on something that is very gray because there aren't very stringent guidelines of when it can be used, and when it can't be used."

"I think the individuals -- the individuals that I know, who are working from home, are definitely as productive or more. Now, those people are developers, who benefit from not being interrupted, who can sit down and just code away and test, it is real easy for them to really crank through stuff. I think, for other people, it's a little more difficult. It is not impossible, but I think in general people that are on my staff are -- they are as productive at home, if not sometimes more."

– Neal Bloomfield, Senior Manager of Commercial Systems, IT

Employee Comments “I would say, just by having happier employees definitely helps, who are more focused and dedicated. You kind of feel that, even though it is a benefit, and it is offered to everybody if they are able to do it, there is an appreciation and a desire to work a little bit more. And I think that is true for other people I know on Work Path, that aren't even part time, people who work from home. It gets them -- it just gives you better work/life balance, which makes it easier to get things done and be happy about doing them.”

“As I have told a lot of people, it is hard, the whole becoming a mom thing, and all that. There has to be -- everybody has to do what is best for them; but, for me, I really couldn't ask for a better mix.”

– Laurie Webster, Programmer / Analyst

Recommendations Establishing leadership commitment to the program up front is very important if it's going to be successful. The program should be consistent and administered fairly.

Be sure to provide the necessary training.

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Program***Alternative Work Arrangements Proposal Kit*****Description**

In 1995-1996 Baxter developed an alternative work arrangements proposal kit that included the following:

- a description of the desired flexible work arrangements;
- job requirements and an assessment of impact (e.g. work flow, coverage and the amounts of work);
- interaction with others;
- employee's personal characteristics and how they lend themselves to alternative work arrangements (e.g. ability to work independently);
- handling of sick days, holidays, vacation time, educational assistance, overtime, bonuses, stock options;
- considerations / business parameters for managers in evaluating the proposal; and
- company expectations for communication, continuous improvement and periodic review of the alternative work arrangements.

Baxter has also implemented a job posting system that tells people whether or not alternative work arrangements are available for a specific job.

Administration

- The forms and materials for the program are all on the internet.
- Alternative work arrangements (other than part-time work) are self-reported using People Soft.

**Drivers –
Why Developed**

The programs were developed because of the following factors:

- the Clean Air Act and its requirement to reduce the number of drive alone cars in employee parking lots;
- technology advancements that enabled people to work at an alternate site;
- recognition of work and family needs;
- the requirement to work globally and support customers in very different time zones.

**Implementation
Approach**

Alternative work arrangements were rolled out within the United States, primarily at business offices. Manufacturing facilities were done later because they posed a different set of challenges.

Obstacles

Some of the obstacles encountered were:

- the need for more resources to communicate the program and train managers and employees
- line-of-sight management

How Obstacles were Overcome

Obstacles were overcome primarily through education of line managers by HR.

Benefits

Some of the benefits of introducing alternative work arrangements include the following.

- “A Vice President once said to me, if you’re going to ask an employee to choose between work and family, sometimes they may choose work, but it’s not going to last for long. And if you consistently ask them to choose, family will always win. And, they will leave the organization.”
 - Productivity gains due to:
 - A. Reduced distractions
 - B. Better opportunity for collaboration with overseas colleagues (across time zones) when able to work flexible or non-traditional hours.
 - In order to attract and keep the best people, you need to offer a competitive benefits package.
 - Employees who are happier in their work are happier in their interactions with their colleagues and their customers.
-

Measurement

Baxter maintains the following alternative work arrangement measures.

- Self-reported utilization of formal alternative work arrangements is about 12-15%, and this is believed to be under-reported. When you add informal flexible work arrangements, utilization is much higher.
 - Baxter also tracks the % of jobs offered where alternative work arrangements are available.
-

Factors in Success

Success factors include the following.

- A CFO who later became the CEO was an important champion for alternative work arrangements.
 - Making alternative work arrangements part of the job posting system had a significant impact.
 - High level managers participate in alternative work arrangements and are role models for the programs.
-

Manager Comments

“I would advise them to make sure that they get their entire team together, the ones that want to telecommute and not telecommute. I think it’s something that the entire team should sit down and talk about. I think it’s important to include people that are not in the program so that they can put their feedback in and make sure that we’re supporting the non-telecommuters, that their view points are considered, and if there are any issues or things - - just make sure they have their trust factor too. I want everybody on board. I certainly don’t want to separate the group as ‘telecommuters’ and ‘non-telecommuters’.”

“If something happens my entire group is very flexible to be able to work at home in a drop of a hat.”

– Christine Mead, Manager of Export Logistics

Employee Comments What recommendations would you have for another company that is thinking about implementing a teleworking program?

"I would tell them that it is a great opportunity. I believe that it would increase the morale of people. I mean it depends on the type of services that that different company would provide. Not everybody can do it. And I would also tell them that it is a great program, but the people who are doing it should be disciplined, and that [they need] to continue working at home as if they were in the office."

– Brian Kaspari, Export Operations Analyst

Recommendations Know your work force. Know your organization culture and what it can tolerate so that you're not overselling various types of AWAs.

Take it one step at a time and recognize you're not going to go from zero to a hundred miles an hour right off the bat.

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Program	<i>FWA Database</i>
Description	PricewaterhouseCoopers uses a standardized database and single process to administer a broad range of flexible work arrangements. Staff members express their needs to their supervisor and complete a comprehensive form online. A central administrator ensures consistency. Arrangements are approved by HR and the Partner supervisor. Any needed changes are made online and go through the same approval process. The database also contains program information and FAQ.
Administration	The program is administered as follows. <ul style="list-style-type: none"> • A call center fields initial requests. • An FWA team calculates salaries and benefits and manages the database. • An FWA liaison team directs policy and process/database enhancements.
Drivers – Why Developed	In 1998 Pricewaterhouse and Coopers & Lybrand merged bringing together two different policies and approaches. A common policy was created in 1999, but there were still inconsistencies and a lack of accountability. A work-life assessment by WFD (a consulting firm in Boston) recommended that PwC establish a single procedure, and the database was launched in 2003.
Implementation Approach	The FWA database was launched without a pilot test. Telecommuters were already centralized and were added to the database first. HR people were trained and counted on to help people through. A series of conference calls for participant training were done, and then all 600-700 people who were interested in using flexible work arrangements had to go through the proposal and approval process using the new database.
Obstacles	Some of the obstacles encountered include the following. <ul style="list-style-type: none"> • There were some technical difficulties with the database • There was an initial learning curve for both participants and their HR approvers. • There were people who were working more than expected.
How Obstacles were Overcome	Obstacles were overcome mainly by persistence and just working through the issues. FWA is such a part of how PwC works. It is expected that employees will be able to work flexibly.
Benefits	Some of the benefits of the program as a whole include: <ul style="list-style-type: none"> • retention of key talent and key knowledge; • recruitment is enhanced by the perception of work/life friendliness; • lower turnover positively affects the bottom line.

Measurement	Utilization is measured through the database. PwC also has done an FWA survey, FWA forums and does regular employee pulse surveys.
Factors in Success	The number one factor in success has been leadership support. It starts with the Senior partner and US Chairman. The top leaders talk about work/life quality and how important it is for the business. They discuss it at their partner business meetings and often kick off flex forums.
Manager Comments	<p>“The benefits of FWA definitely outweigh the disadvantages. We keep people we would otherwise lose; people are happier; people think it’s a good option to have.”</p> <p style="text-align: right;">– Emily Dobry, IFS HR Manager for Chicago</p>
Employee Comments	<p>“I have a great schedule. I work 4 9-10 hour days per week, two at work and two at home. Sometimes I change the days and work at night. There’s a lot of flexibility.”</p> <p style="text-align: right;">– Emily Dobry, IFS HR Manager for Chicago</p>
Recommendations	<ul style="list-style-type: none"> • Develop a solid and consistent FWA program. • Foster an environment of flexibility – informal and formal go hand-in-hand. • Make the right connections for senior leaders to show that this is important for the business.
Some Other Programs of Interest	<p><i>Full circle:</i> Staff members may leave the workforce for up to 5 years to parent full-time. Participants are provided a coach to stay connected to the firm; PwC pays for training & certification to keep them up-to-date; participants are invited to networking events and offered a good faith guarantee of a comparable role when they return.</p> <p><i>Sabbatical program:</i> 3-6 month sabbaticals geared to community service (company provides 40% of pay), or personal growth (company provides 20% of pay); rolled out in July of this year.</p>
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Program***IBM Flexible Work Options - New Communications Strategy***

Description

IBM is committed to creating a supportive, flexible work environment that gives employees more flexibility and control over their work as an important means to achieve greater work/life balance and enhanced productivity. As part of our Work/Life strategy IBM has created six separate Flexible Work Options.

Compressed/Flexible Work Week: relates to employees who compress their work week into fewer than 5 days. For example, an option would be to work 10 hours a day for 4 days a week.

Individualized Work Schedule: describes employees who vary their work time up to 2 hours before or 2 hours after the normal location start and stop times. This option goes beyond just start and stop times. For example, an employee who works from home 1 day a week may also fall in this category.

Mobile/Telecommuter: are employees who have no dedicated work space at the IBM location because their jobs require them to be away from the office. They could be at customer locations or are frequent travelers.

Leave of Absence Programs are for employees who go on unpaid leave for an extended period of time.

Part-Time Reduced Work Schedules are available for those who have reduced work schedules, that is a less than full-time schedule on a regular, ongoing basis.

IBM's most recently announced option is *Job Share*, a part of the Part-Time option. Job sharing is a flexible work option that provides employees with an opportunity to work a reduced work schedule, and provides managers with an additional flexible staffing option that leverages the talents of two employees to meet the needs of the business

Work-at-Home employees perform their regular work schedule from home without a dedicated IBM work space.

IBM has implemented POWR - People Orientation Work Redesign. This is an on-line tool that provides a very simple way for teams and work groups to determine how they can eliminate unnecessary and low value work. There are more than 100 teams who have used this tool to advantage.

Administration

Flexible Work Options are initiated by employees, but approved by management. The underlying principle is the needs of the business.

IBM asks employees to assess their need for flexibility, be aware of the options available to them, and the impact that flexible arrangements might have on clients and team. Employees are then asked to submit a formal request for flexibility, understanding that business commitments come first.

Managers also have responsibilities. They need to assess the request fairly considering business objectives and the employee's personal situation, and then work in partnership to find a win/win solution

**Drivers –
Why Developed**

The changing work environment was the major driving force in developing these flexible work arrangements. The needs of the people were not being met by nine to five jobs. It was clear that employees needed flexible work options to balance their work/life needs. IBM knew that happier employees would be more productive and have better work/life balance.

In the past, many of the work/life initiatives started with the Women's Council - women who were mothers, and who wanted some flexibility in their work. Today it encompasses everyone.

**Implementation
Approach**

IBM's Work/Life & Flexibility Department is part of Workforce Diversity. New ideas are developed through employee input, then researched, evaluated, developed into guidance/ policy and implemented through the Work/Life & Flexibility Department.

**New Communications
Strategy**

IBM believes that their flexibility programs are excellent, but they could be used by even more employees. Communication is very important to make people aware of the programs and increase utilization.

As the Flexibility Program Manager, Rena Chenoy 's goal is to make everybody in IBM aware of the work options available to them. There is a need to put more discipline into what has traditionally been an ad hoc communications process. This manager has created a communications plan that defines objectives, identifies the various audiences, and defines strategies and tactics for reaching those audiences. The messages are targeted for different groups: managers, professionals, international employees, etc. Tactics include channels (e.g. intranet site, email), deliverables (e.g. posters, pamphlets) and training (e.g. on-line, classrooms, one-on-one).

There is a calendar for the year that lists the various tactics to be completed by date. For example, in September there is a webcast led by an IBM VP, who will be talking to employees globally about the Work/Life and Flexibility programs.

For every tactic there is a "RACI" chart that defines who is responsible for this item (R), who is accountable for it (A), who needs to be consulted (C), and who needs to be informed (I).

Obstacles

The challenge within IBM is the number of people competing for a limited amount of air time when any type of program is rolled out that is of interest to the employees. For example, at new managers' training school there are many messages new managers need to hear, varying from compensation and benefits, to diversity. The time to deliver these messages is limited and there may not be enough time to spend on work/life issues. So they have to find creative ways of reaching their management population.

Benefits

The program embeds a sense of trust, fairness and equity into the employees, and removes some of those day-to-day inhibitors to work like picking up the kids, getting them to soccer practice etc. From the many employee surveys IBM has executed on Work/Life issues, they know that the greatest employee satisfaction comes from those who exercise flexibility options.

Measurement

IBM is often asked how many employees utilize flexible work options. The major options tracked are Mobile employees and Work-at Home-Employees. They also track employees who are on a leave of absence and who work part-time. The remaining options are more guidance than policy, so managers can use them at their discretion.

Manager Comments regarding Teleworking

"I worked at home exclusively for a period of 18 months and I would caution people about working at home for that period of time without engaging in human interaction or coming into the office and having a coffee with your peers and your friends, because it (working remotely) can be quite isolating."

"It really does revolve around the implicit trust that this (program) provides the employees. I view it as a tool. It's not an entitlement, it's not a bonus. It's something that they can use to choose how they approach the work that they are doing. And in fact, my style is pretty much hands off. I expect them to come to me for assistance in day to day activities if and when they need it. Otherwise, I hope they will feel comfortable in performing their duties unencumbered by managerial supervision. And part of that is I trust them that when they are working at home they are working."

– Chris Ring, Manager

Employee Comments

"For me, IBM is the perfect employer for the following reasons:

- I love my job
- I've got a fabulous manager who makes my job easy
- I love working from home
- I love the flexibility to adjust my hours and take time off on short notice if needed

I wouldn't dream of working anywhere else unless they could provide these same 4 perks."

“I got diagnosed with rheumatoid arthritis in January 2003 and was in bad medical shape for 8-10 months that year, and a couple of months in late 2005. I was too disabled to drive and/or spend a whole day in the office during this time period, but thanks to working at home and flex-hours, I was still able to work more than full-time during this time period. I flexed my hours fairly dramatically in order to accommodate the illness and various medical appointments, but I didn't log a single sick-day. This was particularly important since I have a skill set that is constantly in high demand, so if I wasn't at work, then we would have trouble responding to all the customer requests in this area, so IBM definitely benefited by keeping me at work.”

– Nancy Roper, *Certified Consulting*

Recommendations

If you want flexible work arrangements to be used in your company, make your people aware of them, but more importantly get managers buy-in. When you make them aware, do it in a disciplined manner so that the messages get out regularly and frequently, rather than on an ad hoc basis.

Managers need to feel comfortable with the offerings and allowing employees to use them. For example some may feel uncomfortable about their employees working from home, as they think that employees may not expend their best work effort because they are out of the line of sight. IBM is attempting to give education not only on what is available to managers, but why they should continue to embrace Work/Life & Flexibility Programs.

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Program***New Approach for Flexible Work Arrangements***

Description

AstraZeneca has a well established program of flexible work arrangements including flex-time, part-time, job share, telework and flex Fridays / compressed work-week. The company has a very broad definition of diversity that usually accommodates work-life, and the work-life team is part of the diversity group. Diversity is a very important concern for the company, so it is their view that they can get traction for work-life by linking it to diversity.

AZ maintains that the work place has to adapt to meet the varied needs of a diverse workforce. This is true for women, minorities, different ethnic groups, and employees at different ages both younger and older. AZ needs highly engaged employees that are really going the extra mile. They know that two of the drivers of engagement are work-life and diversity. Some managers express frustration in trying to reconcile the concept of work/life balance with the increasing workloads prevalent in today's workplace. So, instead of talking about "balance," the work-life team talks about having a flexible and inclusive environment which improves employee effectiveness. Managers can relate to this and accept it much more easily.

However, one can only go so far with flexibility until the issue of overwork is addressed. AZ is looking at processes people can use at the workgroup level to improve both flexibility and effectiveness while managing heavy work loads.

The focus on effectiveness helps overcome resistance in some areas of the business to thinking about different ways of working. This perspective in turn has a positive impact on advancement and retention of women and minorities, on reduction in stress-related illness, and on improvement of employee engagement.

Administration

The work-life programs are administered by a small work-life team that is part of the Diversity organization.

**Drivers –
Why Developed**

The initial program came at the time of the company merger in 1999. There were two campuses that were about 25 miles apart. It could take an hour to get from one to the other and it would be some time before a new, larger facility would be ready to accommodate everyone on the Wilmington Campus. The idea for the approach grew out of the commitment of employees from both sites to work together in teams in the interim. Employees suggested that flexible work arrangements could be an important tool in making it work. It also grew from the desire to have a total rewards approach to recruiting and retention.

The current major commitment to diversity is being driven by:

- A broad definition of diversity that goes beyond race and gender and includes diversity of thought and work style as well as family status, age, and so forth.
- Belief that diverse teams benefit the business.
- Knowledge that meeting diverse patient needs in an innovative way requires the organization be more representative of the groups being served.
- Awareness that the diversity of the customer base of physicians requires the sales force to be more diverse.
- Appreciation of cultural differences among patients who use the products as well as the need for diversity in clinical trials.

Implementation Approach

The program was initially rolled out in 2000. Every management group and everyone in headquarters went through training, which took about an hour for employees and a bit longer for managers. Currently AZ is working to integrate diversity and work-life perspectives into other training courses, and to integrate work-life goals into diversity action plans.

Current Obstacles

Management jobs in field sales demand long hours and travel and advancement often requires relocation. As a result, many qualified women are reluctant to move from a sales representative position into management. The demands of the industry are resulting in an increase in the amount and pace of work. In this climate, some managers worry that flexibility might impact productivity.

Overcoming Obstacles Plans for overcoming obstacles include the following.

- Providing sufficient flexibility to enable people to develop.
- Re-considering the way jobs are structured and developing new ways work can be accomplished.
- Looking at ways to help employees manage the demands of working globally, such as making more use of technology vs. traveling abroad to attend a meeting.

Benefits

Benefits of flexible work arrangements include the following:

- Attraction and retention of diverse talent.
- An increase in employee engagement – internal surveys show that those who have the flexibility they need to manage the demands of work and personal life are more engaged and have better scores on stress and burnout indices.
- Additional opportunities for women to advance.

Measurement

There is a tracking system but it undercounts. It is more accurate for teleworking than other things like flex-time. Flexible work arrangements are so much a part of the culture that people sometimes do not think about the fact that

when they “flex” their schedule it’s a flex arrangement. Surveys indicate that the utilization is actually higher than the tracking system shows. Overall at headquarters, nine out of ten people use some kind of formal/informal flexibility of one kind or another.

There is a global employee survey every other year that has a set of questions around work-life, and a set of questions around diversity. Built into the survey is a fairly traditional section on employee engagement. In the US there is an additional set of 10 questions that correlate with high performing teams in the field. The index is called the AstraZeneca 10.

Factors in Success

While management support is to some extent contingent on the ability of those who use flexible work arrangements to meet goals and deliver results, senior people are willing to be fairly strong advocates. They feel that flexibility is a big part of AstraZeneca’s culture and that flexibility is part of who we are; it’s the way we do business; and the way we will continue. There are public/published statements from senior people supporting flexibility. There are departments that are better at it than others. There are managers who are not supportive of it and managers who are. Even so, flexible work arrangements are an important part of the culture.

Manager Comments

“[When I first heard about the program] I had mixed feelings. It was clear that the program would provide a great deal of flexibility to help individuals balance their personal and work priorities, which would help to attract and retain talent. However, I was concerned that the flexible work arrangements could impact productivity. AstraZeneca is a matrixed organization that relies heavily on cross-functional teams and meetings to accomplish goals. As the program was being described early on, I had some reservations about the ability for individuals to participate actively in the cross-functional working groups while working from home, or not being available fulltime in the office.”

“[Since the initiation of flexible working arrangements] I have had several people who have taken advantage of the program, and generally I have had nothing but positive experiences. Employees have been able to be effective on cross-functional teams by formalizing their responsibilities on the team and leveraging existing technology and communication capabilities. As a manager, I have adjusted the way I work with people who use flexible working arrangements to ensure they are well engaged and integrated into the organization, but I have not adjusted my expectations for their performance levels. I have found that people can be more productive when working from home because they often do not have as many distractions and can take advantage of time that was previously spent commuting to work.”

– Matt Pammer, Senior Director of Commercial Information Services

Employee Comments

“I think it helps them [AZ] retain a lot of good employees that otherwise would probably quit, stay at home, or find other part-time work. We have teleconferences which we do for the part-time employees that have been very helpful. I’ve even heard a manager comment that sometimes they get more work out of their part-time employees than some of their full-time employees. I think that flexible work arrangements have helped to create more dedicated employees because they’re grateful to the companies that provide this opportunity. I’m more grateful to have an opportunity to be at home with my children. But there are some people who have other needs -- whether it’s elderly parents or different things like that. And I think everybody kind of sees the positives that come out of it.”

“I think the only resistance is sometimes there are counterparts who aren’t as flexible as you are. They are in the field every day. So then I think you have to be flexible, too. For example, it’s your day off, but your counterparts know that they can call you at home if they need to -- that kind of thing. You can’t close the door and say -- this is my day off. Don’t call me at home. I think it kind of works both ways.”

– *Stephanie Gauthier, Pharmaceutical Sales Specialist*

Recommendations

- Position work-life with appropriate other groups in the organization.
- Move away from the programmatic view and look at it with more of a cultural and “the way-we-work” lens. If an organization gets too focused on the programmatic side, the impact on the organization and its employees will not be as great.
- Listen to the way managers are thinking about work-life and which piece will be a hook for them. It must be taken back to the business, back to work effectiveness. “It’s not that people don’t want to do the right thing and they don’t care about their people, but they’ve got to see how it’s going to make our business work better.”
- “People get very hung up on the term ‘work-life balance’. They get really stuck on it. It can’t be balanced. It isn’t balanced. For many, it’s not really possible to maintain balance. But if you can say, ‘Well what if we thought about it in terms of how effective we are in all parts of our life’, that makes more sense to people. Some of it really is semantics, but whatever it takes to get people there, that’s the thing. You have to not get your ego too involved with the word work-life.”

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