Workplace Flexibility: The Next Imperative for Business Success and HR Leadership

Lisa Horn
Maryland SHRM State Council Webinar
November 14, 2012
WELCOME!! FROM MD SHRM STATE COUNCIL!

- Continue the dialogue with a MD chapter near you!
- Visit one or more of ten chapters in the state:
  1. Anne Arundel
  2. CC SHRM
  3. CHRA
  4. Cumberland Valley
  5. Eastern Shore
  6. Frederick
  7. HoCoHRS
  8. HRASM
  9. HRSPGC
  10. Montgomery County

- [http://md.shrm.org/maryland-chapters](http://md.shrm.org/maryland-chapters)
Continue the Conversation

#workflex

#SHRM

@SHRMLobbystLisa
“Perhaps the most important reason that work flexibility is a business imperative is because it produces better business results... specifically, by engaging and retaining the talented people who produce the high-quality work and competitive advantage.”

“So where can we go from here -- we or any business? In my view, just as far as the flexibility of our thinking can take us.”

Sharon L. Allen
2003-2011 Board Chair
Deloitte LLP
Today’s Agenda

1.) What is Workplace Flexibility?

2) Why is it So Critical Today?

3) Why is it a Business Imperative?

4) HR Leadership and Ten Flexibility Strategies

5) Workplace Flexibility Progress

6.) SHRM / FWI Partnership *When Work Works*
What is Workplace Flexibility?
What is Workplace Flexibility?

Workplace flexibility is a way to define how, when and where work gets done and how careers are organized. It is essential that flexibility work for both the employer and the employees to be effective.

<table>
<thead>
<tr>
<th>Flex-Time</th>
<th>Flex-Careers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Traditional flextime</td>
<td>• Sabbaticals</td>
</tr>
<tr>
<td>• Daily flextime</td>
<td>• Options for moving on and off the</td>
</tr>
<tr>
<td>• Compressed work week</td>
<td>“fast track”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reduced Time</th>
<th>Flex Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Part-time work</td>
<td>• Telecommuting on an occasional</td>
</tr>
<tr>
<td>• Part-year work</td>
<td>or regular basis</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Flex-Leaves</th>
<th>Phased Retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Time off during the workday</td>
<td>• Arrangement for employee</td>
</tr>
<tr>
<td>• Time off for personal illness</td>
<td>nearing retirement age to work</td>
</tr>
<tr>
<td>• Paid time off to care for children</td>
<td>reduced hours to transition into</td>
</tr>
<tr>
<td>• Parental Leave/ Elder Care</td>
<td>full-time retirement</td>
</tr>
</tbody>
</table>
Polling Question

Polling Question: Does your organization have a high, medium, or low degree of support for workplace flexibility?
Effective Workplaces

Workflex = Perk

Workflex = Effective Workplace

Effective Workplaces

- Work-Life Fit
- Job Challenge and Learning
- Autonomy
- Economic Security
- Supervisor Task Support
- Climate of Respect and Trust
Why is it So Critical Today?

Work-Life Fit is Complicated

- Time Famine
- Increasing eldercare responsibilities
- Dual-earner families
- More male work-life conflict
- Diverse, multi-generational workforce
Why is it So Critical Today?

Challenge: Time famine

- According to FWI and Princeton University research, employees are increasingly experiencing a feeling of “time famine” or “not enough hours in the day”

- 75% of employed parents feel they don’t have enough time with their children, up from 66 percent in 1992

- 63% of employees in couple relationships feel they don’t have enough time with their husbands, wives or partners, compared with 50 percent in 1992

- 60% of employees feel they don’t have enough time for themselves, up from 55 percent in 2002
Why is it So Critical Today?

Challenge: Increasing eldercare responsibilities

June, 2011, Metlife Study of Caregiving Costs to Working Caregivers:

- Percentage of US adults providing care to a parent has tripled since 1994 and now represents a quarter of adults

- Americans who took time off for elder care suffered losses in wages, pension, and Social Security benefits

- Average individual losses were $324,000 for women and $284,000 for men

- Care givers aged 50+ were more likely than non-caregivers to report their health as “fair” or “poor”
Why is it So Critical Today?

Challenge: More dual-earner couples

- There are more dual-earner couples in the workforce today – 79% in 2008, up from 66% in 1977

- Fully half of US workers are female, and mothers are now the primary breadwinners in 4 in 10 American families

- Women’s level of education has increased steadily relative to men’s

- In 2006, women earned 58% of all bachelor’s degrees and 60% of all master’s degrees
Why is it So Critical Today?

Challenge: More work-life conflict among fathers

Percentage of fathers and mothers in dual-earner couples reporting work-life conflict (1977-2008)

Sources: 1977 QES, 2008 NSCW, FWI
Why is it So Critical Today?

Challenge: Diverse, multi-generational workforce

- Becoming more racially and ethnically diverse population

- The number of US workers aged 40+ is growing rapidly: 68% in 2008, up from 39% in 1977

- For the first time, four generations are together in the US workforce: Traditionalists, Baby Boomers, Generation X, and Generation Y (Millennials)

- The first group of 77 million Baby Boomers began reaching traditional retirement age of 65 in 2011
Why is it a Business Imperative?

1.) Employees are happier, healthier

July 2011, survey by Staples Inc. of telecommuters who work one day or more for U.S companies:

- Stress levels of the telecommuters dropped 25% and their happiness increased 28% since starting the program

- 80% said they maintained a better work/life balance with telecommuting

- 76% said they are more willing to put in extra time and are more loyal to their companies since telecommuting
Why is it a Business Imperative?

2.) Employees are more productive, engaged

SHRM 2009 survey of HR professionals, “Workplace Flexibility in the 21st Century:”

- 67% of respondents thought flexibility positively impacted employee morale, job satisfaction, and engagement
- 32% said telecommuting increased employee productivity, versus only 5% who said it decreased productivity
- 42% said absenteeism decreased among telecommuters, versus 5% who said it increased
Why is it a Business Imperative?

3.) It is a key recruitment and retention tool

August 2010, SHRM-EIU global survey found that C-suite executives believe their two biggest challenges in the coming ten years will be:

1. Retaining and rewarding the best people.
2. Attracting the best people to the organization

SHRM Poll: When HR Professionals were asked what was the best strategy to address these challenges, nearly 60 percent of them indicated, “creating flexible workplaces.”
The Business Case for Flex in Less Than 3 minutes

Need to make a case for flexible work? This video explains why workplace flexibility is essential to ongoing business success.

Available at www.lifemeetswork.com
HR Leadership and Strategies

Challenge: Resistance to flexibility

We’re too small

Our CEO will never go for it

We’re too big

How Do I know they’re working if I can’t see them.

We’re a service business, my customers need attention immediately

I couldn’t possibly hire someone flexibly I need to know I can trust them first

We tried it and a few ruined it for all

It’s just not our culture
Polling Question

Polling Question: What are the top three obstacles to implementing workplace flexibility at your organization?
HR Leadership and Strategies

10 HR Strategies for Success

1. Recruit top management as flex champions

2. Position flexibility as a business strategy

3. Make the business case, focusing on ROI

4. Develop flexibility for all

5. Build management support
HR Leadership and Strategies

10 HR Strategies for Success

6. Listen to what employees say works best

7. Develop clear guidelines

8. Incent managers to support workflex

9. Track metrics

10. Communicate
Case Study #1 - Orbit Logic Incorporated

Aerospace Consulting
Greenbelt, MD – 10 employees
www.orbitlogic.com Twitter: @OrbitLogic

• Employees not required to answer calls/emails during non-working hours
• Employees cite schedule flexibility as the company’s top benefit—including monetary benefits
Case Study #2 - Building Construction Division of Caterpillar Inc

Manufacturing – Durable Goods
Cary, NC – 95 employees
www.caterpillar.com  Twitter: @CaterpillarInc

• Flexibility is a necessity for business and employees
• Leaders focuses on results versus hours worked
Case Study #3 - Navy Medicine Professional Development

Military Training
Bethesda, MD – 274 employees
www.med.navy.mil/sites/navmedmpte/Pages/default.aspx

- Telework opportunities to alleviate space issues
- Support for low-wage employees
Employers have increased options that allow employees to better manage times and places where they work

Percentage of employers allowing (at least some) employees to…

- Take time off during the workday to attend to important family or personal needs without loss of pay***
  - 2005: 77%
  - 2012: 87%

- Have control over their paid/unpaid overtime hours***
  - 2005: 28%
  - 2012: 44%

- Have control over when they take breaks***
  - 2005: 78%
  - 2012: 93%

- Work some of their regular paid hours at home on an occasional basis***
  - 2005: 34%
  - 2012: 63%

- Periodically change starting and quitting times within some range of hours***
  - 2005: 68%
  - 2012: 77%

Source: 2012 NSE, Families and Work Institute
Employers have reduced options that involve employees spending significant time away from full-time work.

Percentage of employers allowing (at least some) employees to…

- **Move from full-time to part-time work and back again while remaining in the same position or level***
  - 2005: 54%
  - 2012: 41%

- **Work part year on an annual basis***
  - 2005: 38%
  - 2012: 18%

- **Return to work gradually after childbirth or adoption***
  - 2005: 86%
  - 2012: 73%

- **Take sabbaticals***
  - 2005: 49%
  - 2012: 29%

- **Take a career break for personal/family responsibilities***
  - 2005: 73%
  - 2012: 52%

- **Receive special consideration after a career break for personal/family responsibilities***
  - 2005: 43%
  - 2012: 21%

*Source: 2012 NSE, Families and Work Institute*
Small employers are emerging as leaders in flexibility

Periodically change starting and quitting times within some range of hours***
- 32% (green)
- 16% (purple)

Have control over when to take breaks***
- 70% (green)
- 42% (purple)

Return to work gradually after childbirth or adoption***
- 48% (green)
- 29% (purple)

Take time off during the workday to attend to important family or personal needs without loss of pay***
- 62% (green)
- 38% (purple)

Source: 2012 NSE, Families and Work Institute
SHRM / FWI Partnership

www.whenworkworks.org

- Program to educate employers locally about business benefits of flex through community partners
- Share research and employer best practices
- Recognize exemplary employers through the Sloan Award for Excellence in Workplace Effectiveness and Flexibility
When Work Works: 2012 Community Partners

6 Statewide initiatives:
Arizona · Georgia · Michigan · New Hampshire · Oregon
North Carolina
When Work Works

Sloan Awards: Application Process

**Round I**

**Employer Questionnaire**
Employers self-nominate by completing a questionnaire about their organization’s flexibility and effectiveness practices at their worksite.

**Round II**

**Employee Questionnaire**
Employees take a brief questionnaire about their access to and use of flexibility and other aspects of an effective workplace, and job jeopardy. A minimum 40% response rate is required.

Employers that rank in the top 20% of national data
**When Work Works**

Guide to Bold New Ideas

- Joint guide with best practices by winners of the Sloan Awards for Excellence in Workplace Effectiveness and Flexibility
- Features innovative practices from 352 employers of all sizes and industries
- Available through the SHRMStore at [http://shrmstore.shrm.org/](http://shrmstore.shrm.org/)
- Use promo code WFP-12 to get 10% off the price of the Guide
THANKS!! FROM MD SHRM STATE COUNCIL!

- Continue the dialogue with a MD chapter near you!
- Visit one or more of ten chapters in the state:
  1. Anne Arundel
  2. CC SHRM
  3. CHRA
  4. Cumberland Valley
  5. Eastern Shore
  6. Frederick
  7. HoCoHRS
  8. HRASM
  9. HRSPGC
  10. Montgomery County

- [http://md.shrm.org/maryland-chapters](http://md.shrm.org/maryland-chapters)

The HRCI # for today’s webcast is...
Questions?

Lisa Horn
Senior Gov’t Relations Advisor
Co-Leader, SHRM’s Workplace Flexibility Initiative

Lisa.horn@shrm.org

+1-703-535-6352

1800 Duke Street
Alexandria, VA 22314

Twitter: @SHRMLobbystLisa