



Just the Facts, Please!

The information below represents just the tip of a very big iceberg of information about a changing workplace and its relationship to flexible work arrangements.

Allowing Different Schedules Results in Increased Productivity, Morale, Motivation

- Best Buy started a program in its corporate offices to address over-work, stress, and low morale. The program is called "ROWE" which stands for "Results Only Work Environment," in which corporate employees are allowed to work when and where they like, as long as they get the job done. Employees have stopped counting the number of hours they work, but productivity for ROWE teams has increased an average of 35%. In addition, there has been: A significant drop in voluntary turnover; improved manager performance; greater employee engagement; increased customer satisfaction. Now more than 80% of corporate employees are part of ROWE. Some employees who were contemplating leaving said they no longer have the desire to leave and many employees said the program was "changing their lives." Best Buy recognized that the new approach was not just about helping employees, it was about "staying competitive." [Source: Time Magazine, July 25, 2005; Employee Benefit News online, March 2007; Business Week Cover Story 12/11/06]
- "The use of flexible schedules is one strategy that appears to simultaneously boost productivity per hour worked and address employee work/life balance concerns." [Source: Workplace Visions: Promoting Productivity, by HR Magazine, Issue 1, 2006]
- A Nonprofit research organization, Catalyst, conducted a study on part-time work arrangements. A majority of part-time professionals and their supervisors reported that the arrangement either improved or didn't affect the employee's productivity; 46% agreed that individuals working part-time realize productivity gains. Ninety-two percent of part-time professionals reported increased morale and 53% reported increases in commitment to their employer. [Source: advancingwomen.com]
- A survey was conducted of 200 employees with flexible schedules and the managers at the 50 companies who employed them. Fifty-six percent of managers said that these employees were more productive per hour than comparable staff working a full-time traditional schedule. The other 44 percent said productivity was the same, with no managers saying that these workers were less productive. Managers also said these workers were more focused, more professional, more motivated, and better able to meet deadlines than those employed full-time. [Source: Flexible Resources, Inc., from the book [The End of Work As We Know It](#), by N. Mockler and L. Young, 2002]
- In 1999 Pfizer Pharmaceuticals created a part-time sales team, allowing sales reps to work on a 60% schedule. Sales were up significantly in areas that had these part time teams and area sales managers were clamoring to get more of these part-time sales reps because of their success. Pfizer estimates that without creating this part-time program they would have lost as many as 75% of these employees.

Attracting and Retaining Top Talent Using Alternative Work Arrangements

- British company BT Group, one of the world's leading providers of communications, has a program called "Freedom to Work," allowing people to work whenever and wherever they want. Results: Turnover is under 3 percent, saving the firm £5 million a year; After maternity leave, 99 percent of BT's female employees return to work compared to UK average of 47%; Sick days average 3 days per year as compared to UK average of 11; Productivity for home-based workers has risen steadily since 1998, as much as 30% per year; BT has saved £70 million a year in office space expenses; They've saved £10 million a year in fuel and other transportation costs and lowered carbon dioxide emissions by 54,000 tons per year. [Source: [Off-Ramps and On-Ramps](#), by Sylvia Ann Hewlett]



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- According to a study by Spherion, about 9 out of 10 workers cite work fulfillment and work-life balance as their top career priority. Only 35% said being successful and moving up the ladder were their primary goals. [Source: USA Today, May 4, 2004]
- 60% of workers of all ages rate time and flexibility as a very important factor in retention, but only 35% of employers feel the same way (only 28% of employers incorporate alternative scheduling into their retention strategy). [Source: Wall Street Journal Online article, For Gen Xers, It's Work to Live: Finding the Right Job/Life Balance, by Loretta Chao, 12/5/05]
- "Increasingly, overworked employees are sensing a turn in the job market and are heading for the exits." [Source: Business 2.0 Magazine, May 2006]
- In Monster's 2007 Work/Life Balance Survey, 89 percent of respondents look for work/life balance programs such as flextime and telecommuting when evaluating a new job, but only half of HR professionals consider work/life balance to be an important company initiative. Only twenty-nine percent of workers think their company's work/life balance programs are good or excellent, and 58 percent complain their employer encourages working too much. [Source: Monster Worldwide online, Nov. 7, 2007]
- "ISR [an HR research and consulting firm] takes the emotional temperature of 400,000 U.S. employees annually and has found that stress is increasing. In 2006, 31% said they find it difficult to balance work and personal responsibilities, compared to 25% in 2005. Forty-three percent now think their workload is excessive, up from 39%, and 46% are bothered by excessive pressure on the job, up from 41%." [Source: BenefitNews.com, March 2007]
- The Association of Executive Search Consultants (AESC) did a global survey of 138 executive recruiters and found a quarter saying that work-life balance is more important than increased earnings and six of 10 said it rates about the same. "Executive search consultants now have new competition for top talent: work-life balance. Even five years ago, work-life balance was not an issue that top talent would actively talk about during job negotiations. Executive search consultants now say that candidates will discuss work-life balance very early in the talks about a potential job," says Peter Felix, AESC President. [Source: management-issues online, 2/26/07]
- A study of 1400 attorneys was conducted by Catalyst, finding that 84% of women and 66% of men rated the desire for "an environment supportive of my family and personal commitments" first on the list of reasons that would cause them to leave their firm for another. Sixty-six percent of women and 54% of men said the possibility of working fewer hours would also be important in choosing to leave their firm for another.
- "Having flexibility enabled Deloitte & Touche to avoid an estimated \$27 million in turnover costs during fiscal 2003." [Source: AWLP-Fortune Magazine Special Section]
- Deloitte & Touche recognizes that their most important strategy centers around people. They have rolled out a program called "Mass Career Customization" which allows employees to mold their career path based on their changing needs. According to Sharon Allen, chairwoman of the board at D&T, it is all about "fitting work into life and life into work." [Source: Speech by Sharon Allen at Duke University's Fuqua School of Business - January 2005]
- One accepted method of calculating the cost of losing an employee, including the expense of recruiting, relocating and training a replacement, is to multiply the salary by 1.5. [Source: Wall Street Journal Online article, For Gen Xers, It's Work to Live: Finding the Right Job/Life Balance, by Loretta Chao, 12/5/05]

Telecommuting Benefits

- A recent study on congestion of American highways reports that big city commutes can add 50+ hours per year to an employee's regular hours. An average home worker is able to produce seven hours per



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day, where in-office workers are productive only six, according to the International Telework Association & Council's survey. This translates into nearly \$6,000 per employee per year. [Source: New Ways to Work: Telecommuting and Job Sharing by Harriet Hagestad, ImageLeader Consultants (Article on CareerBuilder.com)]

- Providing office space for the average American worker costs \$18,000 a year. In New York City, where the standard calculation is \$84 per square foot per employee, it can cost as much as \$75,000. [Source: Article by Robert G. Epstein, JoAnn Nix, Kevin Flood, found on HRNext.com]
- Studies show that telecommuters are more productive. For instance, "a study of American Express employees found that teleworkers handled 26 percent more calls and brought in 43 percent more business than their office counterparts." [Source: thebalancingact Newsletter by the Employment Policy Foundation]
- If people actually took advantage of telecommuting policies, the share of telecommuters would grow from 11 percent to 25 percent. The total savings from full use of telecommuting would amount to \$3.9 billion in fuel, and time savings equal to 470,000 jobs. [Source: 2005/2006 National Technology Readiness Survey, Robert H. Smith School of Business, University of Maryland]

Professional Women Are "Opting Out" of Out-of-Balance Workforce

- A majority of working moms in the United States would be happiest in part-time jobs, and fewer see full-time work as an ideal, according to a study by the nonprofit Pew Research Center. "In a notable shift during the past decade, working mothers overwhelmingly view fewer work hours as the best option for their busy lives with young children. . . Now, 60 percent of employed mothers find part-time work most appealing. But just 24 percent of them actually have part-time hours, labor statistics show, and mothers working part time have not increased in number in the last decade." [Source: Washington Post online, July 13, 2007]
- "The labor force participation rate of mothers ages 15 – 44 with infant children – under 1 year old—slid from a record 59% in 1998 to 55% in 2002, part of the first downward slide since the Census Bureau began tracking the figure in 1976. While those women may represent a return to more traditional family arrangements, some workplace experts suspect they may be leaving the workforce, at least temporarily, because they can't find the flexibility they seek. . . 'Some of the reasons women are going to the home is because organizations are not stepping up to the plate.' [Says Lisa Levey of Catalyst]" [Source: USA Today, May 4, 2004]
- "What I find behind these women's decisions is not a return to traditionalism. It is not women who are traditional; rather it is the workplace, stuck in an anachronistic time warp that ignores the reality of the lives of high-achieving women such as the ones I studied, and resists and rebuffs their efforts to change it. The exits of highly talented women are the miners' canary – a frontline indication that something is seriously amiss in too many workplaces." [Sociologist Pamela Stone, from her book *Opting Out?*, for which she interviewed 50 stay-at-home mothers for a book on professional women who have dropped out of the workforce.]
- 1 in 3 women who hold MBAs are not working full-time (Catalyst); 51% of Gen X moms are home full time, compared with 33% of boomer moms (from Reach Advisors). [Source: Time Magazine Cover Story, 3/22/04]
- The graduating class at Berkeley Law School in 2003 was 63% women, Harvard was 46 percent, Columbia at 51. Yet women comprise only 16 percent of partners in law firms. 50 percent of undergraduate business majors are women, and 30 percent of MBA candidates are women, yet 16 percent of corporate officers are women and only eight companies in the Fortune 500 have female CEOs. [Source: New York Times Magazine Cover Story, 10/26/03]
- "They're not fleeing work – they're fleeing the demanding way of work," says Ellen Galinsky, president of the Families and Work Institute in New York. "So many of these women who are leaving are starting their own businesses. They're not taking on less. They just want more control." [Source: USA Today, May 4, 2004]

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- "About two-thirds of professional women who stop working would stay if they had a 'recognized and respectable' way to scale back." [Source: Article in the Wall Street Journal, 12/11/06, citing Sylvia Ann Hewlett, President of the Center for Work-Life Policy]

Alternative Work Arrangements Give Access to Talent During Labor Shortage

- "EPF [Employment Policy Foundation] research shows that America faces a potential labor shortage of 35 million employees by 2030. Expanding the labor force to include highly educated and skilled workers is necessary to insure a rising standard of living for all workers. Additionally, enabling these individuals to live more fulfilling and productive lives as members of the workforce reduces the burden on already strained government programs, such as Social Security." [Source: thebalancingact newsletter by the Employment Policy Foundation]
- "Savvy employers realize that labor shortages will return, making it important to reach out to this largely untapped labor pool of returning mothers. Nearly half of U.S. companies face a significant departure of women and minority employees once the job market improves." [Source: USA Today]
- "Federal statistics suggest that in just a few years there will be 151 million jobs but only 141 million people to fill them. What's more, an estimated 76 million baby boomers (those born between 1946 and 1964) will soon be retiring. However, only 48 million workers under age 40 will be waiting in the wings to replace them. In short, a massive and very real labor crisis is looming." [Source: The New Workforce Reality Study, by Simmons School of Management and Bright Horizons Family Solutions, 2005]
- "In a 2000 poll of more than 3500 company executives by recruiting firm Management Recruiters International, Inc., 61 percent of the participants believed the 9-to-5 workday will disappear in the next 10 years." [Source: Salary.com online article *The Power of Flexibility*, by Jessica Yang]
- "When probed about their ideal work arrangement in retirement, the most common choice among boomers would be to repeatedly 'cycle' between periods of work and leisure (42%), followed by part-time work (16%), start their own business (13%) and full-time work (6%). Only 17% hope to never work for pay again." [Source: Merrill Lynch press release on "The New Retirement Survey," February 2005]

Generation X and Generation Y Have Different Work Styles, Different Motivations

- 51% of Gen Xers "would jump ship for the chance to telecommute, and 61% of Gen X women would leave their current jobs if they were offered more flexible hours elsewhere." [Source: What Do Gen Xers Want?, Article by Anne Fisher of FORTUNE magazine, CNNMoney.com, 1/20/06]
- "A 2001 survey by Catalyst of 1263 men and women born from 1964 to 1975 found that Gen Xers 'didn't want to have to make the kind of trade-offs the previous generation made. They're rejecting the stresses and sacrifices,' says Catalyst's Paulette Gerkovich. 'Both women and men rated personal and family goals higher than career goals.'" [Source: Time Magazine Cover Story, 3/22/04]
- "Gen-X employees view work as secondary to their lives outside the office, these researchers say, whether that means time with their children or time to pursue a hobby. And as baby boomers, now age 41 to 59, approach retirement, employers aiming to hold on to their emerging talent should give these shifts serious thought, management experts say." [Source: For Gen Xers, It's Work to Live: Finding the Right Job/Life Balance, Article by Loretta Chao, from the Wall Street Journal Online, 12/5/05]