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What are the Benefits and Challenges of Implementing a Flexible Work Program?

Abstract

[Excerpt] Flexible work, from compressed work weeks to job sharing to telecommuting to adjustable schedules, has bloomed over the past decade with changes in technology and life demands. 43% of U.S. workers work remotely at least some of the time and 62% of companies have pockets of flexibility in place. Globally, 20% of workers spend at least part of their job working from home. Flexible work arrangement adoption has increased in order to offer employees the ability to adjust their schedules to meet personal needs and to offer employers the ability to meet the needs of the organization. Oftentimes, flexible work options are no longer perceived as an additional benefit but an expected element of a job.

Keywords

human resources, HR, flexible work, talent attraction, talent retention, employee participation, culture barriers, virtual workplace, change management, customization, employee engagement, employee productivity, compressed work week, job sharing, telecommuting, adjustable schedules

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RESEARCH QUESTION

What are the benefits and challenges of implementing a flexible work program? How should a successful flexible work program be implemented on a global scale? What are the best practices?

INTRODUCTION

Flexible work, from compressed work weeks to job sharing to telecommuting to adjustable schedules, has bloomed over the past decade with changes in technology and life demands. 43% of U.S. workers work remotely at least some of the time and 62% of companies have pockets of flexibility in place.^{1,2} Globally, 20% of workers spend at least part of their job working from home.³ Flexible work arrangement adoption has increased in order to offer employees the ability to adjust their schedules to meet personal needs and to offer employers the ability to meet the needs of the organization. Oftentimes, flexible work options are no longer perceived as an additional benefit but an expected element of a job.

BENEFITS OF FLEXIBLE WORK

Flexible work programs can offer many benefits to both the employer and the employees. Some of the major benefits include:

- **Improved employee engagement and productivity:** According to a global survey, 98% of respondents stated that flexible work has a positive impact on their productivity levels.⁴ Data also reveal that employees in flexibility programs are happier as they are less prone to burnout and psychological stress than their colleagues.⁵
- **Employer cost savings:** In addition to a boost in productivity, flexible work arrangements have also proven to save significant costs for employers and thus contribute positively to a business's bottom line. Cost savings result from reductions in various areas, including real estate spending, utility spending, and decreased turnover costs.⁶ Deloitte conducted a study that demonstrated the potential for saving approximately \$41.5 million in turnover related costs. These results were based on professionals who said they would have left the firm had they not had flexible work arrangements.⁶
- **Talent attraction and retention:** Flexibility initiatives are a significant predictor of applicant attraction and talent retention.¹ In fact, 51% of workers indicated they would change jobs if they could find one that offers flexibility.⁹

CHALLENGES OF FLEXIBLE WORK

While there are many benefits to a flexible work program, implementing a successful and effective flexible work program to realize these benefits can be challenging. Some of the major challenges include:

- **Manager and leadership buy-in:** Data shows that although 62% of companies already provide flexible work options, only 35% say that it is a core part of their value proposition and 1/3 of the employees surveyed expressed that when they had previously requested a flexible work arrangement, they were turned down by management.² The data demonstrates that on a policy level, organizations have been providing flexible work options, but realistically, adopting these practices have been inhibited due to a lack of leadership buy-in.
- **Employee perception and participation:** The lack of management buy-in and integration of flexible work arrangements into the organizations' value propositions also affect employees' participation in flexible work programs. While employees feel that flexible work can help reduce job burnout

and improve productivity, many are reluctant to actually adopt these practices due to concerns about the negative impacts this may have on their future career growth. In fact, a survey showed that 50% of the employees asked had expressed concern that working part-time or remotely would negatively impact their promotion opportunities.²

- **Cultural barriers:** While flexible work options seem to be prevalent in North America, many global organizations face difficulties when implementing a global flexible work program. This challenge stems from the cultural differences in perceiving and adopting flexible work arrangements. Specifically, countries with more “modern” cultural values, such as Canada, correlate stronger to flexible work arrangements than do “traditional” cultural values, such as Asia and Latin America.^{7,8} As such, countries with collectivist cultures reported to having the least flexible work environments.⁸

STRATEGIES AND BEST PRACTICES

While implementing an effective flexible work program can be challenging, there are some best practices and strategies to address those challenges:

- **Use of tools and technology:** In order to ensure workers can remain connected regardless of the time and method of working, frequent and effective communication is imperative to a successful flexible working approach.⁹ Presently, there are more communication channels and collaboration tools available than ever before. For instance, many organizations have adopted tools such as Slack, Yammer and Facebook's Workplace that are enabling new ways to collaborate virtually.¹⁰
- **Effective change management:** Introducing a flexible work program is a significant change to most organizations. Therefore, effective change management practices need to be adopted for the program to truly integrate with organizational culture and practices. Appendix 1 outlines the steps to build a flexible work program.
- **Customization:** Flexible work programs need to be customized according to the type of work, work environment, type of employees' organizational culture, etc. Different employees and organizations may look for different things in flexible work programs and one size does not fit all.¹¹ In addition, to address global cultural differences, organizations will need to identify the local culture and align the local policy to allow both parties to benefit from a flexible work program.⁷ The study in the additional learning section details how to adjust flexible work policies to align with cultural norms and values.
- **True permission from management:** For employees to truly adopt flexible work options, they need true permission to do so. In other words, simply having an available flexible work program is not enough. Employees need to be sure that working flexibly will not negatively affect their experience and future prospects.⁹ To do so, management needs to lead by example and Appendix 2 illustrates various ways leaders can provide true permission to employees adopting flexible work options. But just having these tools is not enough – leaders have to commit to using them consistently and embedding them as part of the everyday functioning of the team.

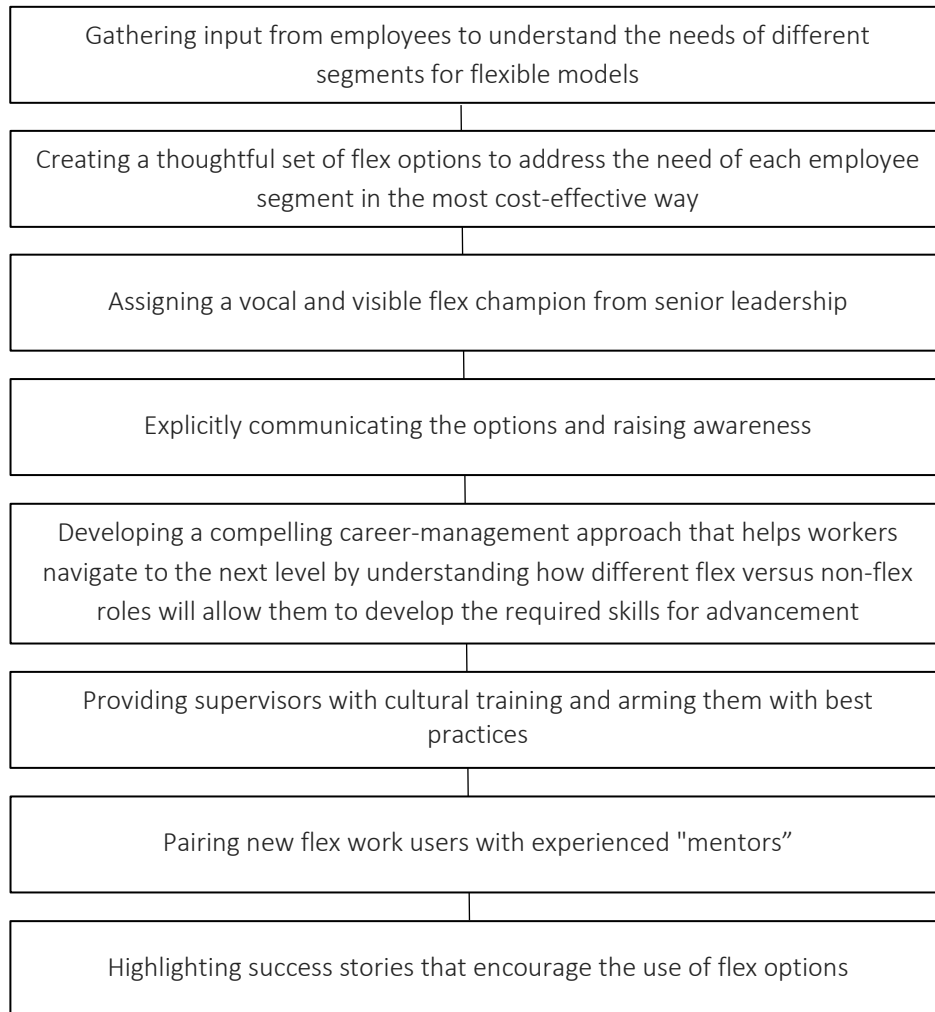
CONCLUSION

While popular, some companies, like IBM and Yahoo, are retracting their policies and re-instituting traditional work arrangements.¹² The reasons for these changes are often a claim of negative impact on the company's bottom line. The reality, however, suggests that there is no hard evidence implying such causation. In fact, most research supports the implementation of flexible work arrangements- when the policy and roll out strategy aligns with the local culture. By utilizing best practices, a hands-on change management process, and preparing to address cultural barriers a company can improve employee engagement and productivity, lower costs, and attract and retain better talent.

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Appendix 1¹¹ – Steps of Implementing an Effective Flexible Work Program



Appendix 2⁹ – Ways for Leaders to Demonstrate True Permission

Role model: Role modelling the use of flexible working arrangements is a powerful way to endorse use of the available options. Leaders who haven't traditionally worked this way may find this a challenging shift, but working one day a week from home or letting the team know you will be leaving early on a particular day to attend a family event sends a message that it's ok for other people to do this too. Leaders really do set the tone so people will look to them and their actions rather than their words, as to what they can and can't do.

Use technology: Communication is a key element to a successful flexible working approach as it ensures people can remain connected no matter where they are and what time they choose to work. The array of communication channels now available and the increasing range of online tools means staying in touch has never been easier, but just having these tools is not enough – leaders have to commit to using them consistently and embed them as part of the everyday functioning of the team. Find out more about building flexible communications for flexible workers.

Make it a given rather than the exception: Clearly outlining the flexible options that people can use and the boundaries will help to remove any ambiguity. Setting the expectation that people can access these as and when they need, rather than having to ask every time will free up any angst associated with 'seeking permission'. Setting up a protocol around always letting your manager know where you are and when you will be working is likely to empower people to manage the intersection between their work and non-work life much more effectively. It will also send the message that flexible working is for everyone, not just certain demographic groups.

Determine performance based on outcomes not face-time: The question is often posed: 'if people aren't here in the office how do I know they are working?' Measuring performance based on time in the office is a concept of the past. There's no guarantee that the person who sits at their desk the longest is generating the most work and that certainly doesn't indicate quality of work. Shifting the focus to measuring outcomes means everyone can be held accountable for their performance whether they are working flexibly or not.