MEASURING THE IMPACT OF WORKPLACE FLEXIBILITY

Findings from the National Work Life Measurement Project

Boston College Center for Work & Family

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*Note: these individuals have since left these companies for other positions.

About the Center

The Boston College Center for Work & Family is a research organization within the Carroll School of Management that bridges the academic research community to the workplace. The Center's guiding vision is to gain increased understanding of the challenges faced by both employees and employers in meeting the goals of the individual and the enterprise. The Center conducts basic and applied research studies and analyzes secondary information sources. The Center's activities focus on research, employer partnerships, and information services.

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SECTION



Executive Summary

eople make choices about how to spend their time as a function of both their personal and work/life needs. For many years both business leaders and the public at large have heard anecdotal reports that employees who are given opportunities to work more flexibly are more dedicated and productive employees and are better able to manage their lives outside of work. The Boston College Center for Work & Family, in partnership with six major corporations, conducted a two-year research project to assess the impact of workplace flexibility. Results from this study now make available empirically-based information to support this experience, concluding that in most cases greater workplace flexibility is a win-win situation for companies and the individuals they employ.

A Closer Look at Flexibility

Previous studies of the effects of flexible work arrangements typically have not distinguished the findings by type of flexible work arrangement. Rather, they generally have combined information about employees who use a variety of flexible work arrangements, including part-time work, job-sharing, telecommuting and shorter workweeks. In contrast, this study more closely examines and distinguishes the effects of three forms of flexible work arrangements being used by employees working full time jobs:

The Case for Daily Flextime

Results reveal that the most promising form of flexibility is daily flextime. While there is still a place for more traditional forms of flexible work arrangements, companies can be even

- Traditional flextime, defined as working a schedule that has start and end times that the employee has chosen and includes certain core hours determined by the supervisor or organization.
- Daily flextime, in which employees work a schedule enabling them to vary their work hours on a daily basis.
- Telecommuting, in which employees conduct their work off-site for some portion of their core working hours. The location of work may be the employee's home or satellite office.

more successful by embracing a broader commitment to flexibility. The same dynamics that are requiring companies to be more nimble in the marketplace hold true for today's workforce. The world is more complicated, the pace of life has dramatically quickened, and demands on time are greater. Companies have found they need to be much better equipped to adapt quickly to this changing world and employees are coming to the same conclusion.

Companies that create work environments allowing for this daily flexibility are finding that their commitment is paying off. Employees using daily flextime are more likely to say that this flexibility has a positive impact on their productivity, quality of work, and their plans to stay with the company. For individuals, the findings are equally exciting. Employees working flexibly are more satisfied with their jobs, more satisfied with their lives, and experience better work/family balance.

The Challenges of Telecommuting

Experts in the area of telecommuting have long warned of the potential problems with telecommuting, if not managed appropriately. The data gathered through this study confirm that telecommuting arrangements, as they are typically construed, pose the greatest number of problems for employees relative to other forms of flexible work arrangements. Compared with both daily flextime and traditional flextime users, telecommuters work more often while on vacation. rate their work/life balance and life satisfaction significantly lower, believe they have more negative relationships with their managers and co-workers, and are less committed to their jobs. Employees who telecommute are less likely to report that telecommuters are viewed as committed to their jobs, and are more likely to believe that telecommuters do not get the same challenging assignments than are managers who supervise employees who telecommute. Managers who supervise employees who telecommute are more likely to believe that telecommuting has negative effects on employee-supervisor relationships and are less likely to feel that telecommuters get the same promotions and performance reviews as other employees than are employees who use telecommuting.

Project Background

The Boston College Center for Work & Family conducted this research in collaboration with six companies, including:

- Amway Corporation
- Bristol-Myers Squibb Company
- Honeywell
- Kraft Foods
- Lucent Technologies
- Motorola, Inc.

This study is unique for several reasons. First, as a cross-company study, the project provides first-of-its-kind comparative data about the impact of flexible work practices in different industries. Second, by including information from both users and non-users of flexible work arrangements, the study is uniquely positioned to examine perspectives of diverse team members. Third, because the study included reports from managers as well as employees using flexible work arrangements, it provides the opportunity to examine the more farreaching effects of flexible work arrangements. Data for the study were collected using surveys, in-depth personal interviews, and focus groups, allowing for meaningful analysis of both quantitative and qualitative responses.

STUDY HIGHLIGHTS

Impact on Companies

According to both users of flexibility and their managers, there are several business-related advantages of flexible work practices, most notably in the areas of productivity, quality of work and retention.

Productivity

70% of managers and 87% of employees reported that working a flexible arrangement had a positive or very positive impact on productivity.

Quality of Work

65% of managers and 87% of employees reported that working a flexible arrangement had a positive or very positive impact on quality of work.

Retention

76% of managers and 80% of employees indicated that flexible work arrangements have positive effects on retention.

Impact on Managers

In addition to overall positive outcomes for the companies, the direct managers of employees working flexibly reported favorable results in relation to their own work. 75% of managers reported no change in their own workload, while nearly all believe that work group productivity and their job performance was the same or better.

Impact on Employees

Users of both daily flextime and traditional flextime reported many positive outcomes. In most instances, employees using daily flextime were most positively impacted while telecommuters reported the least positive effects.

Work-Life Balance

Users of traditional flextime and daily flextime reported better work-life balance than both non-users and telecommuters. Daily flextime users reported the best scores, with 38% of this group indicating that their work/life balance was "good" or "very good," compared to 31% of traditional flextime users, 26% of non-users and 24% of telecommuters.

Life Satisfaction

Workers using daily flextime reported the highest life satisfaction scores, with 65% of daily flextime users saying they were satisfied or very satisfied, compared to 58% of non-users and 46% of telecommuters.

Telecommuting

There were striking differences in the experiences of employees using telecommuting and those using either daily flextime or traditional flextime. These include:

- 46% of telecommuters reported working while on vacation, compared to 34% of non-users, 30% of daily flextime users, and 28% of traditional flextime users.
- 24% of telecommuters rated their work/life balance as "good" or "very good" compared to 26% of non-users, 38% of daily flextime users, and 31% of traditional flextime users.

46% of telecommuters said they were "satisfied" or "very satisfied" with their lives, compared to 58% of non-users, 65% of daily flextime users, and 61% of traditional flextime users.

The statistics above examine the impact of telecommuting on the lives of employees outside of work. In terms of career-related issues, there were also some interesting findings, with frequent differences in perception between managers and employees.

Managers and employees agree that:

- Telecommuters are less likely to get the same salary increases as other employees.
- Telecommuters are less likely to have positive relationships with their co-workers.

However, a greater percentage of managers who supervise employees who telecommute than employees who use telecommuting believe that telecommuters are...

- More likely to have negative or neutral relationships with their supervisors than other flextime users.
- Less likely to get good performance reviews.
- Less likely to get promotions.

On the other hand, a greater percentage of employees who use telecommuting than managers who supervise employees who telecommute believe that telecommuters are...

- Less likely to receive the same challenging assignments as employees not using these arrangements.
- Less committed to their jobs.

While these findings highlight the experience of individual employees, results related to the business impact are considerably more favorable. There were no significant differences between telecommuters and other users of flexibility on questions of attachment to the company, quality of work, or productivity, with high scores in each of these areas.

Perceptions of Non-Users

While most employees who were not using flexible work arrangements believe that employees using flexible arrangements are just as committed to their jobs as other workers, non-users did express some significant concerns. For example, 35% of non-users believe that their co-workers who use flexible work arrangements cause resentment among those working on-site, 48% say that it is more difficult to work collaboratively with employees who use flexible work arrangements, and 30% believe that it is more difficult for supervisors to communicate with employees who use these arrangements.

Implications for Companies

In summary, this study presents a "good news/bad news" scenario related to workplace flexibility, with the good news potentially far more positive than the bad news is negative. We arrive at this conclusion based on the fact that many of the problem areas relate to issues of perception, either between users and nonusers or managers and employees. It follows that those companies that proactively invest in the actual management of these work arrangements, addressing head-on issues such as communication, equity, and clarity of objectives will likely reap far better results than companies that fail to attend to these issues. These efforts, combined with a company-wide commitment to daily flexibility, should have tremendous implications for the long-term success of the flexible workplace.

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Background and Objectives

uring the past decade, technological advances have revolutionized the world of work, modifying how and where work is performed. Many employers can now offer their employees increased flexibility about when and where business is performed. In fact, the 1997 National Study of the Changing Workforce conducted by the Families and Work Institute reports that "nearly half of all employees are able to choose - within some range of hours - when they begin and end their days". Yet, change does not come easily, as established work cultures fueled by a pervasive belief in "facetime" continue to characterize many work environments. Employers are now at a critical juncture as they weigh the costs and benefits of these new options in a labor environment that has become increasingly competitive for

talented employees. They remain uncertain about whether flexible work arrangements address their employees' needs as well as their serious bottom-line concerns, and they need data to support their decisions. Providing critical information about where and when work is best completed was the impetus for this study.

There have been a number of studies of flexible work arrangements, but their results are far from conclusive. Some researchers have focused on identifying workers who use these arrangements. Others have studied the impact of flexible work policies on reducing employee stress and work-family conflict. Finally, a number of studies have examined the impact of flexible work policies on productivity, quality of work, commitment and labor force attachment. While these studies provide a foundation of evidence regarding the impact of flexible work arrangements, major gaps remain. These include:

- An incomplete understanding of who uses flexible work arrangements and how employees gain access to these arrangements;
- Inadequate differentiation of the effects of different types of flexible work arrangements on outcomes;
- Limited information from co-workers and managers about the effects of flexible work arrangements; and
- Reliance on information from a single industry.

This project was a two-year, cross-company study that focused on the impact of three types of flexible work arrangements (traditional flextime, daily flextime, and telecommuting) on both employees and managers. While employees were also asked about compressed work week and job sharing arrangements, these results are not reported here because so few respondents were using them.

The study aims to provide answers to the following questions:

- What distinguishes employees who use traditional flextime, daily flextime, and telecommuting from one another as well as from employees who do not use these flexible work arrangements?
- Why don't all employees use flexible work arrangements?
- How do employees who use flexible work arrangements gain access to them?
- Do employees who use traditional flextime, daily flextime, and telecommuting work more hours than employees who do not use them?

- How does using different types of flexible work arrangements affect the extent to which employees experience time crunch, work/life balance, negative spill-over from work to family, job satisfaction, life satisfaction, and commitment to the workplace?
- How do employees using flexible work arrangements and their managers assess the extent to which these flexible arrangements affect employee productivity, quality of work, relationship with supervisor, relationships with co-workers, commitment to job, and the likelihoods of getting promotions, challenging assignments, good performance reviews, salary increases, and support from co-workers?
- How do employees who do not use flexible work arrangements perceive employees who do use them?
- How do flexible work arrangements affect the manager's job?

Organization of this Report

This report highlights findings from the study, focusing on issues most important for management to examine as they either introduce or continue to implement flexible work arrangements. Section 3 describes the characteristics of people using the various flexible work arrangements and contrasts them with those of people not using them. In Section 4, information is provided about the ways in which employees using flexible work arrangements gained access to them. Issues such as the extent to which formal company policies impact usage of flexible work arrangements, how the arrangements are negotiated with supervisors, and how they are actually implemented are described.

Section 5 contrasts the experiences of employees who were using different types of flexible work arrangements (daily flextime, traditional flextime, and telecommuting) and those not using any of these arrangements. The report examines the extent to which these employees:

- Work long hours;
- Have worked during a vacation during the past year;
- Experience a "time crunch";
- Experience negative spillover from work to family;
- Maintain a sense of balance between their work and family lives;
- Feel attached to the companies for whom they work;
- Feel satisfied with their jobs; and
- Feel satisfied with their lives.

Section 6 contrasts views from employees using flexible work arrangements and their managers. The report highlights the effects of flexible work arrangements on:

- Productivity;
- Quality of work;
- Relationships between supervisor and employee;
- Relationships between co-workers;
- Plans to stay with the company;
- Commitment to job;
- Likelihood of being promoted;
- Likelihood of getting challenging assignments;
- Likelihood of getting good performance reviews;
- Likelihood of getting the same salary increases as those not using flexible work arrangements; and
- Likelihood of getting job-related support from co-workers.

Section 7 describes the feelings that employees who are not using flexible work arrangements have about employees who do use these arrangements, while Section 8 examines the views that managers have about the effects of supervising employees who use flexible work arrangements on their own jobs. Section 9 identifies issues important for employers to consider as they introduce and integrate flexible work arrangements in the workplace. Finally, Section 10 presents study conclusions and limitations and identifies critical next research steps.

Appendix One describes the study design and presents information about the people participating in the survey and the companies for whom they worked. It is important to understand these characteristics, as they have significant implications for the extent to which results can be generalized to employees working for other companies.

Appendix Two provides background information about the companies participating in the project, and provides, in the words of company representatives, the reasons their companies chose to participate in the study.

Throughout the report, contrasts reported between groups are those that are statistically significantly different from one another at the 95% confidence level (i.e., differences between groups that are greater than we would expect just due to chance alone).

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Characteristics of Users and Non-users of Flexible Work Arrangements

The majority of employees responding to the survey (65.3%) were not currently using a flexible work arrangement. They are referred to as "non-users" in the remainder of this report. Traditional flextime was used by 14.1% of respondents, daily flextime by 11.5%, and telecommuting by 9.1%. Most employees using telecommuting reported doing so only one (26.0%) or two (15.4%) days each week. An additional 17.1% reported that they telecommuted less than one day per week.

Employees using daily flextime, traditional flextime, and telecommuting were compared with those not using these types of arrangements. Interestingly, some differences were found between the groups: Non-users of flexible work arrangements and users of traditional flextime were more likely to be female, while users of daily flextime and telecommuting were more likely to be male.



People most likely to be involved in providing care to a dependent elder were telecommuters.



■ Non-users had the lowest levels of education.



Non-users were least likely to hold professional positions in their companies.

■ Telecommuters earned the highest incomes.



Chart 3: Household Income (>\$100,000)

■ Telecommuters had the longest commute times.



Chart 6: Professional Position





Chart 4: Commute Time > 1 Hour

Among employees completing the survey, the importance of position as a characteristic enabling employees to use flexible work arrangements was clear. It was widely recognized that some jobs, both lower level and higher level positions, simply do not lend themselves to flexible work arrangements.

The groups did not differ from one another in terms of age, marital status, and likelihood of having children under 19 living at home.

Several factors -- including a supportive department where the employee works, a sympathetic manager, a job with specific characteristics, and the skill level and perceived qualities of the employee, particularly the ability to work independently and responsibly with a history of being a high performer -- determine which employees get access to flexible work arrangements. Most readily acknowledge the importance of the nature of job responsibilities as a determinant of whether flexible work arrangements are possible.

"The lower levels probably have more rigid jobs. You know, the factory stuff, secretarial work. Most of the time these girls need to be sitting at their desks, covering the phones. It's harder to do that from home. And I think that as you get up to higher levels in the corporation, your time is not your own, and it's harder to work [flexibly]. You can still work some flextime, work home here or there. But you tend to work so many more hours that it's kind of hard."

"I think I'm probably in the level [where telecommuting] is easier to happen. In the technical work...measurements are like deadlines that are two or three months. So I think it's probably easier. Where for a secretary, the managers and other team members who depend on a secretary depend on the person five days a week or five hours a day."

WHAT DISTINGUISHES EMPLOYEES WHO USE TRADITIONAL FLEXTIME, DAILY FLEXTIME, AND TELECOMMUTING FROM ONE ANOTHER AS WELL AS FROM EMPLOYEES WHO DO NOT USE THESE FLEXIBLE WORK ARRANGEMENTS?

In addition to these demographic characteristics that distinguish employees using different flexible work arrangements from those not using them, users recognize that individual characteristics, particularly their ability to work independently and trust earned through a history of being a high performer, also are important.

"The management team trusts me. They know what kind of budget I can hold. They've seen what I've done. They know that I'll get the job [done], ...that deadlines are met. And they just give me the resources I need. They've never questioned me...Now there are people in my group, who for some reason have the same managers, where they don't get approved."

Reasons Employees Are Not Using Flexible Work Arrangements

Among employees who do not use flexible work arrangements, 54.0% reported that daily flextime or traditional flextime benefits were not available to them, while 72.1% said that telecommuting was not an option for them. Employees who were not using flexible work arrangements said that they did not use them for the following reasons:

The nature of the job responsibilities requires regular contact with workers who do not use alternative work arrangements (25.4%).

"I need a lot of personal interaction with people. I just don't see how it [telecommuting] could ever work in this job. I might need my co-worker...and you need to talk to them and be there and exchange information constantly. I think your being [based] out of the house would just take too much time to do the job. I'm one for flexible work hours and I'm one for arrangements where you can work at home but I just don't see it in our job."

A more traditional work schedule better meets their needs (20.4%). Such need may include access to equipment and other resources necessary to produce work.

"I have too much stuff in the office. I need to meet with people. I need to get a good printer. I don't have one. In most cases, though, it is better to be in the office because you can answer the phone instead of answering voice mail." "I've worked with different departments and you need everything that's here. You rely on different resources from different employees so you can't really telecommute in all departments."

WHY DON'T ALL EMPLOYEES USE FLEXIBLE WORK ARRANGEMENTS?

Their job would be difficult or impossible to do using these arrangements (16.3%). Some jobs are simply not considered "good fits" for working flexibly. When there is a perception that the work requires "face time", either because it is necessary to accomplish the work itself or to contribute to the morale of the workplace, there is a negative attitude toward flexible work arrangements.

"If it's the kind of job that needs to interact with people, it doesn't work. Or if you need to be there to give them an assignment, it doesn't work."

"The nature of our business doesn't allow it. . . if you start taking things home and something happens, we don't have that information. . So we have to have everything there where we can get to it immediately, so we can't do teleworking". "I don't want to work at home. I don' think you could do our job at home. You need the interaction, meeting time, and getting information from various depts. You just could not do it from the home I don't think. Certain aspects maybe, but most area I'd say no."

They felt that using an alternative work arrangement would not be good for their careers (14.1%).

"I felt at my level,. . . telecommuting, that's okay for an hourly employee or that's okay for a secretary. But if you're a Director, and you're serious about your career, people wouldn't take you as seriously. ... You become lumped with a group of part-time people who are here just because they want to pick up a paycheck, not because they're serious about their careers here. And that couldn't be further from the truth."

They felt that supervisors look down on workers who use alternative work arrangements (12.0%).

"As far as moving forward, if you wanted to, as far as promotions down the road, I think the perception was that you had to be the 'player' and be there when they needed you. That was the pressure I was looking at in trying to negotiate a flexible work schedule."

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Accessing and Using Flexible Work Arrangements

Employees using flexible work arrangements were asked about the process by which they gained access to them. Across all users of flexible work arrangements, 33.1% reported that they were able to use these benefits because of a written company policy; 42.2% explained that it was "accepted company practice", and 24.7% reported that they individually negotiated the arrangement with their manager.

There are differences, however, in the ways that the three groups of people using flexible work arrangements gain access to these bene-

> How do employees who use flexible work arrangements gain access to them?

fits, with users of traditional flextime most likely to gain access through written policies and least likely to gain access because of accepted company practice. Telecommuters are most likely to gain access by negotiating individually with their manager.

Whose Choice are Flexible Work Arrangements?

The majority of all flexible work arrangement users (59.0%) indicate that use of these arrangements was their choice; 8.2% indicate that it was the company's choice; and 32.9% report that it was a mutual choice made by themselves and their company. Users of daily flextime were most likely (70.1%) to indicate that using this flexible work arrangement was their choice; users of traditional flextime typically reported that the decision was mutual (41.9%).

A Privilege, Not an Entitlement

Most employees said that flexible work arrangements are a privilege or luxury, and not an entitlement. For many employees, the ability to use flexible work arrangements came only after they had developed their manager's trust.

"I have a track record. I have proven myself. There's never any doubt that I'm going to get my stuff done and probably work extra...but there is that whole level of trust that it takes time to develop."

"Right now telecommuting is considered a reward, not an entitlement. It's an exception. It's a reward. It is something special for somebody special, not an entitlement."

Since the opportunity to use flexible work arrangements is viewed as a privilege, many employees feel that they owe something back to management for permitting it.

"You kind of have that expectation since they are allowing you this tremendous benefit, that you should deliver something a little over and above what other people who don't have the same benefit."

Indeed the idea of flexible work arrangements being a privilege was so pervasive that many expressed feelings of insecurity about the likelihood of continuing to have the opportunity to work flexibly should managers or jobs change.

"It still is a feeling like this could be taken away from you at any moment".

The Role of Manager

Not surprisingly, managers were very careful about deciding whether a particular employee could use a flexible work arrangement. With the pressure to perform, managers are shouldered with the responsibility of identifying employees who will be productive while using flexible work arrangements. One of the greatest concerns expressed by managers is the employee's ability to work independently, which reflects both the nature of the job and the qualities of the individual employee.

"I think the person's character and job performance has everything to do with it."

"The employees I approve [to work flexibly] are people who get the job done. They work faster. They take initiative. They are the conscientious employees."

Managers look most favorably on employees who are high performers because they trust that these employees will continue to do what it takes to maintain high levels of productivity.

Managers said they carefully assess an employee's ability to work flexibly, as well as whether the job can be performed with a flexible work schedule while maintaining productivity. According to managers:

"If you trust the person. You have to have a level of trust there when they are at home [working], they won't be cooking dinner, or doing their dinner, washing dishes..."

"I know she's a great worker...I see the productivity...I think if people have track records -- if they report to you, you know they always put in that extra time, very devoted and committed to their job -- you never worry about that."

"If I feel they have integrity and they're going to say 'I'm going to work at home today.' Great! I know you're going to do it...on the other hand, if there's somebody who I've observed in the office and I don't have that same feeling of integrity with them, p admit, I'm less comfortable doing it."

Employees using flexible work arrangements are very aware that not all employees are able to use them.

"My manager had another person who was requesting a flexible work arrangement. . . and, because of her background and the experience that the manager had with her, she did not give them to her."

Employees also were aware of the importance of the precedent they were setting in their department.

"I always felt pressure on me to make sure that this was successful because someone else may want to do it."

Negotiating Flexible Work Arrangements

The typical negotiation process described by employees involves the employee pleading her/his case, the manager determining if this particular candidate is capable of being a high performer under these circumstances, and often a trial period. The fact that using flexible work arrangements is not a right or entitlement lays the foundation for the negotiation process. In this process, the business objectives of the company are foremost and approval to work flexibly must coincide with these business objectives. This means that the manager needs to believe that the employee will be equally or more productive using flexible work arrangements than operating without them.

There was tremendous variation regarding the amount of time it took for employees to get approvals to use flexible work arrangements. Some spoke of days, while others spoke of months, as they waited to hear whether they would be approved.

"I explained to [my manager] why I wanted to use a flexible work arrangement. He wanted me to talk to [HR] to find out how it was going to work as far as the hours were concerned. And I did all that. And I think we must have started in January and it was just on a trial basis for a month ...and then after the month, he saw that everything was working okay. It was okay for me too and we just continued throughout the year. But to me, it's been a long process."

With no written process in place, employees often created their own process to convince managers they would be good candidates to work flexibly.

"I laid out a proposal with three options or scenarios. It was a detailed proposal where I outlined all financial implications...I sold them the idea." "I worked the back room. I went to people that I trusted and said, 'how do I approach [my manager] so that this request is positive.' "

Employees noted that getting approval to work flexibly is largely dependent on the manager. Some managers embrace the idea, while others approach it cautiously or even negatively.

"You don't know what you are walking into...when they move on [to another department]. [It's] like, 'Oh my God, who is my next boss going to be?!"

For newly hired employees, the process was even more tentative.

"You have to wait until the offer comes and bring it up later as a bonus. You have to negotiate it. And then you don't know if once you get into the environment, if they really believe in flexibility in the first place."

In some cases, the manager's decision to enable an employee to use a flexible work arrangement is motivated by the opportunity to reduce cost and save the company money. By reducing downtime and travel time, some managers feel that they can increase employee morale and commitment, thereby increasing productivity.

After the Negotiation

The implementation of flexible work arrangements also varied across the companies. In some of the companies, employees described the strategies they developed that enabled them to remain in constant communication with their co-workers and managers. "I always change my message on my answering system so they know when I'm not in the office and they know if I'm working at home. I always have my pager. So I tell people, 'leave a message. If it's an emergency, call my pager.' It works fine."

Another employee who provides technical support to others, said:

"If I'm at home, and they called me a few minutes ago--say I stepped out to go to lunch or something like that...they do get my home business line...it rolls into this line here. After three rings, it rolls automatically to the phone line here and then I can back it up with Audix. So either way I get it, no matter where I'm at."

In some of the companies, employees using flexible work arrangements tried to create an "invisible wall," doing everything within their powers to create the illusion that they were not using these arrangements and making it impossible for clients and co-workers to know that they were not in the office. Electronic communication--voice-mail and e-mail--contributes to the ease of telecommuting and supports the invisibility of the flexible work arrangement. According to one telecommuter, her co-workers didn't realize for two years that she was working at home one day per week: "I don't say I'm out of the office. I mean, they'll send me e-mail and I'll send them one right back. It's instantaneous. They call me. I call them right back.. I'm in the loop, so they don't know. I just don't schedule meetings on that day."

Managers talked about the importance of carefully monitoring employees using flexible work arrangements.

"You have to start documenting and that's what we've done. Someone who is constantly taking and never giving, it gets docked on your vacation time. I'm willing to be really flexible. I understand. I'm a mother. I understand. But, someone who is constantly taking and never giving, then guess what? You are going to have to use vacation time."

"I'm monitoring them on a daily basis whenever they are home."

Sometimes It Just Doesn't Work

While most managers were very careful about agreeing to flexible work arrangements, employees and managers reported that there were times when this flexibility backfired. One employee who worked in a very flexible department talked about how the abuse of a flextime schedule for an adjacent department ruined the policy in her own department.

"When [the other department's] manager was on vacation for two weeks, they came and went as they pleased and things didn't get covered, and they weren't conscientious about it..."

The result in this case was that the manager ended their flexible work policy.

SECTION J



Contrasts Between Users and Nonusers of Flexible Work Arrangements

Hours Worked

Employees who returned the survey confirmed the existence of a 'long hours' culture. They reported working an average of 50.6 hours per week (range 40 – 96), with only 17.0% working a 40-hour week. Over a third of employees had worked while on vacation during the past year. Hours worked are viewed by employees as a measure of their commitment and productivity. As one employee said:

"You do whatever it takes. You stay overnight."

"I work about 10 hour days [now, but] . . .I used to get in at 8 or 9 a.m., and I would fall off the map at 2 a.m." As seen in Chart 7, non-users reported working significantly more hours than traditional flextime workers. On the other hand, telecommuters were most likely to report having spent time working during a vacation.





Employees are sensitive to the issues of flexible work arrangements, yet overwhelmed by the amount of work to be done.

"We talk the talk [work/life], but I don't see a lot happening where the workload is reduced. You can't continue to do everything that's expected on a day-to-day basis and have flexible work arrangements and not take stuff home or come in on your day off. You will fall behind and never come from under."

Time Crunch

Employees were asked four questions about the extent to which they feel that they have enough time for themselves and feel rushed to get everything done each day. By summing



responses to these questions, a measure of "time crunch" was created. Scores on time crunch ranged from 4 to 20 (mean = 14.2). As seen in Chart 9, employees least likely to experience time crunches were those using daily or traditional flextime.

"It's really nice. It gives me the opportunity of balancing both work and family."

In contrast, employees most likely to experience time crunches were those using telecommuting. As illustrated below, the lines between work and home often blurred so much that they were indistinguishable.

DO EMPLOYEES WHO USE TRADITIONAL FLEXTIME, DAILY FLEXTIME, AND TELECOMMUTING WORK MORE HOURS THAN EMPLOYEES WHO DO NOT USE THEM?

"I get up early. PBS has great children's shows in the morning. Even when [my daughter] was one, I could put on Barney or something, and she would play, or I'd put her in her high chair and she eats an hour-anda-half breakfast. So I can really crank out a lot of work from like 6:30 'til about 10. And in between time, distracting her here, distracting her there, we do a lot of coloring and a lot of painting. She'll sit great for like a half-an-hour to an hour just coloring and painting. So then I would say from 10 to about noon, there's not a lot of productive

time. From 10-12 we get on the floor and we play, unless the phone rings. And then I give her lunch and then I get back to work again, and get her down for a nap. I am blessed with a daughter that is an incredible sleeper, and she takes three-hour naps sometimes four. so sometimes, at 5 o'clock she's still sleeping. I'll start working on projects, or I might have to be tracking people down on the phone, which I try to do when she's sleeping, because I don't like to have her in the background. And then she gets up, and we make dinner and play some more and maybe go outside. After she goes to bed, which is around 8- ish, *I just check-in [to my voice-mail] one more* time. At the end of the day I say, 'wow, I've accomplished a lot."

Work/Life Balance

We asked employees to respond to the question: "How would you rate your work and family balance -- poor, fair, acceptable, good, or very good?" Those employees most likely to report a good or very good balance between their work and family lives were using flexible schedules, particularly daily flextime .



Spillover

Employees were asked about the impact or spillover that their work has on their home life. There were no differences between employees using the various flexible work arrangements and those not using them. 27.2% of all employees experienced negative spillover from work to family; 25.1% experienced positive spillover, and 47.7% reported neutral or no spillover.

Job Satisfaction

Employees were asked a series of eight questions about the extent to which they satisfied with elements of their jobs, including the number of hours they were working and the



Chart 10: Work-Life Balance

Chart 11: Job Satisfaction



advancement opportunities available to them. By summing responses to these questions (i.e., "1" =very dissatisfied to "5" = very satisfied), a measure of "job satisfaction" was created. Scores on job satisfaction ranged from 8 to 40 (mean = 28.2). Users of both daily flextime and traditional flextime were more satisfied with their jobs than non-users and telecommuters.

Life Satisfaction

Employees rated the extent to which they felt satisfied with their life. While not statistically significant, there was a tendency for telecommuters to report the lowest levels of life satisfaction and for users of daily flextime to report the highest levels of life satisfaction.



Attachment to Company

The extent to which employees felt attached to their company was assessed with 18 questions that inquired about company pride and the likelihood of leaving the company. By summing responses to these questions, a measure of "attachment to company" was created, with scores ranging from 26 to 90 (mean = 57.2). Attachment to company was not observed to be related to whether employees were using flexible work arrangements. Among all employees, 16.7% were very attached to the company for which they worked, 60.6% were moderately attached, and 22.7% were not attached.

Summary

In order to account for demographic differences in gender, childcare responsibilities, elder care responsibilities, education, race, income, position, work hours, and commute time, and to more accurately examine the effects of flexible work arrangements on outcomes for the four comparison groups (nonusers, daily flextime, traditional flextime, telecommuters), a series of analyses was completed in which these demographic differences were controlled (i.e., removed) statistically. These analyses revealed that even after these differences were removed, employees using daily flextime experienced:

- Less time crunch;
- Less negative spill-over between their work and family lives;
- Better work/family balance;
- Greater attachment to their company;
- More job satisfaction; and
- More life satisfaction.

In contrast, similar analyses, controlling for demographic differences between the groups revealed that using traditional flextime increased only the level of job satisfaction.

SECTION C



Views of Employees Using Flexible Work Arrangements and Their Managers

In this Section, we contrast the perspectives of employees who were using flexible work arrangements with those of their managers. Analyses described in this Section combine information from employees using daily flextime with those of employees using traditional flextime. This approach is used for two reasons: (1) Preliminary analyses revealed that there were no substantive differences between these groups of flexible users; and (2) Information collected from managers did not distinguish the views of managers supervising employees who were using traditional flextime and those using daily flextime. As such, in order to examine parallel views, the experiences of flextime users (traditional and daily combined) are contrasted with those of telecommuters.

Productivity

According to employees using the various forms of flexible work arrangements and man-

agers supervising employees using these arrangements, there were no differences in perceptions of productivity. Reports from both groups suggest very positive impacts of using flexible arrangements on productivity, with higher proportions of employees reporting positive impacts on productivity than managers.



Quality of Work

Employees and managers of employees using flexible work arrangements reported that an employee's quality of work was not affected by use of either flextime or telecommuting. Reports from both groups indicate very positive impacts on work quality, with a higher percentage of employees assigning positive ratings than managers.



Relationship with Supervisor

There was no difference between employees using flextime and those using telecommuting regarding the use of these flexible work arrangements and the relationship with their supervisor. The majority of employees (58.0%) reported that flexible work arrangements had positive effects on their relationship



with their supervisor, 37.0% reported that they had neutral effects, and only 5.0% reported that they had negative effects. Managers, however, had a very different view of these effects. They reported that their telecommuting employees were more likely to have negative or neutral relationships with them than were employees using flextime.

Relationships with Co-Workers

Employees and managers agreed that telecommuting employees are less likely to have positive relationships with their co-workers than are flextime employees. The theme of feeling left out was clearly expressed by many telecommuters.



"The only drawback is when I work more at home. ..you sort of feel left out a little bit sometimes, because there's nobody else to talk to during the day."

"Out of sight, out of mind."

"I think there's a certain dynamic of being in the office that you cannot achieve being at home. There is certain information that you glean from being in the office."

(26)

"They kind of tend to forget you when you're a telecommuter."

Retention

When employees and managers of employees using flextime and telecommuting were asked about the impact of using these flexible work arrangements on their plans to stay with the company, most (81.3% of employees and 76.1% of managers) reported that they had very positive effects.



"The flex is why I'm here. . .Flex is making it a nicer place to work. They are truly making an effort to help people balance their family and home issues and recognize that people have more than their job to do."

"It's been a retention opportunity . . .a retention vehicle for me. When I had problems balancing family and work I was like, 'I'm going to stay here'."

"If she [supervised employee] was still under the manager she was under several years ago, she probably would have been gone by now because that manager did not embrace the concept of telecommuting as much as I do."

"There is no question that, if this telecommuting hadn't been in place,. . .I know that I would not retain her."

Extent to which Others View Employee as Committed to Job

Employees reported that people who used telecommuting were viewed as being less committed to their jobs than people who used flextime. Among managers, however, commitment to job was not related to use of flexible work arrangements. The overwhelming majority of managers (91.8%) reported that employees using flexible work arrangements were committed to their jobs.



Likelihood of Getting Promotions

According to employees, there was no association between the use of flexible work arrangements and the likelihood of getting promotions. Most employees (65.1%) reported that people using flexible work arrangements were just as likely to get the same promotions as employees not using these arrangements, 21.4% reported that there were neutral effects, and only 13.4% reported that users were not as likely to get the same promotions as nonusers. Managers, however, indicated that employees using telecommuting were less likely to get promotions than were employees using flextime.



"I have a person who is working from home most of the time. She's not learning the new stuff. Guess what? She doesn't get to work on the cool new project which, in the future, is going to make her less marketable."

Likelihood of Receiving Challenging Work Assignments

Employees indicated that using telecommuting had a more negative impact on the extent to which they received challenging assignments than did employees using flextime. Among managers, however, there was no relationship between using a flexible work arrangement and receiving challenging work assignments. The majority of managers (84.4%) agreed that employees using flexible work arrangements were just as likely as other employees to get challenging assignments; 9.6% were neutral about this, and only 5.9% reported that employees using flexible work arrangements were not as likely to get the same challenging assignments.



"Managers will have weekly status reports, and I'll see them say so-and-so's doing this and so-and-so's doing that, and I'll think, well, those are really interesting projects and I had no idea that was even going on! And I would have maybe been interested in doing that, and I'm not getting the good cookies thrown at me."

Likelihood of Getting Good Performance Reviews

Employees indicated that there was no association between the use of flexible work arrangements and likelihood of getting good performance reviews. The majority of employees (78.2%) reported that people using flexible work arrangements were likely to get good performance reviews, while 14.5% were neutral



about this, and only 7.3% reported that people who were using flexible work arrangements were not as likely to get good performance reviews. Reports from managers, however, indicated that employees using telecommuting were less likely to get good performance reviews than were employees using flextime.

Likelihood of Receiving Same Salary Increases

Employees and managers both reported that telecommuting employees were less likely to get the same salary increases as other employees.



Employees Managers

Likelihood of Getting Job-Related Support from Co-Workers

Employees and managers both indicated that telecommuting employees were less likely to get job-related support from their co-workers.



How do employees using flexible work arrangements and their managers assess the extent to which these flexible arrangements affect employee productivity, quality of work, relationship with supervisor, relationships with co-workers, commitment to job, and the likelihoods of getting promotions, challenging assignments, good performance reviews, salary increases, and support from co-workers?

Summary

Employees and managers agree that using flexible work arrangements have positive impacts on productivity and quality of work, regardless of the type of flexible work arrangement used. They also agree that employees using telecommuting are more likely to have poor relationships with co-workers, less likely to get the same salary increases, and less likely to get co-worker support than employees using flextime. Employees and managers differ on their perceptions of some of the effects of flexible work arrangements. Employees are less likely to view telecommuters as committed to their jobs and are more likely to believe that telecommuters do not get the same challenging assignments than managers supervising such employees. Managers, on the other hand, are more likely than telecommuting employees to believe that telecommuting has negative effects on employee-supervisor relationships and are less likely to feel that telecommuters get the same promotions and performance reviews as other employees.

SECTION



Views of Employees Who Do Not Use Flexible Work Arrangements

The previous section examined the effect of flexible work arrangements from the perspective of the users of these arrangements and managers who supervise users. In order to gain a more complete appreciation of the effects of flexible work arrangements, it is equally important to understand how they affect the employees within a work group who are not using them. This Section discusses the views of employees who do not use flexible work arrangements.

As indicated in Chart 24, most employees who do not use flexible work arrangements believe that employees using these arrangements are just as committed to their jobs as other workers.



However, non-users expressed some serious concerns about flexible work arrangements. For example:

 39.2% indicate that employees who use flexible work arrangements are not as likely to get the same promotions as non-users;



30.3% report that employees who use flexible work arrangements are not as likely to get challenging work assignments as other workers; and



34.8% report that users of flexible work arrangements cause resentment among those working on-site.



Resentment may arise for a variety of reasons. Lack of equity in terms of privilege or in terms of perceived effort were common:

"If two people have the same job, that's not fair if one person [gets to work at home]... you know? The jobs are the same, and it's like if Mary Smith is doing the same thing as me, same job, just different plans, she gets to work from home and I can't, that definitely would I think develop some unhappiness, some tension."

How do employees who do not use flexible work arrangements perceive employees who do use them?

"With the ones who are on these flexible schedules, with the kids, working at home, we find that very difficult [to believe] that they really put in 8 hours... But then that's just us, because probably because we are jealous. I mean you know when you have your kids there [at home], you're gonna stop and you're gonna do things. You are going to do the wash and throw a load in. You know you are going to do stuff. My husband works at home. I know. And he doesn't have little kids. I mean you know he'll stop to do something. So I know. I see it."

In addition, flexible work arrangements may only widen the division between hourly employees whose jobs require set hours and salaried employees whose jobs permit greater opportunities for flexible schedules.

(32)
"I'm an hourly person; they are salaried, and I don't think it's fair that I don't get to do it."

48.4% say that it is more difficult to work collaboratively with employees who use flexible work arrangements.



"It's harder to maneuver and schedule meetings. It's usually when something is urgent, like you're trying to schedule a meeting, trying to get a group of people together. I think [the telecommuter] is only here two or three days a week. So it's really difficult. And then she's really busy when she is in. So I guess it makes things more difficult sometimes."

"You just can't stop your [work] execution on those two days they're not there. Life goes on. I don't know if some people are as good at doing that. So when they're not, you know, when they're gone Mondays and Tuesdays, and then for two days you're waiting,... it can be inconvenient."

19.7% feel that the productivity of the work group suffers when employees use flexible work arrangements.



30.4% indicate that it is more difficult for supervisors to communicate with employees who use flexible work arrangements.



SECTION C



Effects of Flexible Work Arrangements on Managers

In granting managers the authority to approve or disapprove an employee's use of flexible work arrangements, the company provides managers with a mechanism to support employees' non-work needs. With the pressure to perform, managers are burdened with the responsibility of determining which candidates will provide the necessary productivity outcomes. Each manager is empowered to make decisions based on his/her perception of what is best for the work group and the company.

Managers are very much aware that their choices will have an impact on their own workload. Employees using flexible work arrangements who are not able to meet the work groups' productivity standards put extra pressure on managers, most of whom are already overburdened in a high pressure, high workload environment.

Arranging Meeting Times

Managers of telecommuters were more likely to report that they had trouble finding times to meet with these supervised employees than were managers of employees using flextime.



"I will tell you that it throws me off balance. I can't be impromptu and bring the team together for meetings."

Manager's Work Load

While the majority of managers reported that supervising employees who use flexible work arrangements results in no differences in workload, 22.6% indicated that this caused them more work. There were no differences in the reports of managers of employees using flextime and managers of employees using telecommuting regarding the amount of work.



"What also happens is you wind up having...to pick up the slack and not being as productive as you'd want to be...If you can agree to it, whether it be a job share or a telecommute, you're going to have to pick up the extra slack at times"

"I think sometimes when you are missing or you're short handed and all, it's a big [mess], like gee, not only am I doing my job, I'm doing somebody else's job too because you just need to pick up that slack whenever emergencies do evolve." How doe flexible work arrangements affect the manager's job?

Job Performance

When managers were asked about the impact that supervising employees who use flexible work arrangements has on their own performance, the overwhelming majority of responses were either neutral (67.7%) or positive (25.6%). There were no differences in the reports of managers of employees using flextime and managers of employees using telecommuting regarding the impact on job performance.

Work Group Productivity

Managers were asked how much more or less work their work group accomplishes because it includes employees who use flexible work arrangements. The majority of managers (61.2%) indicated that there were no effects on work group productivity. However, approximately one-third of managers indicated that their work group was more productive because it included employees who used flexible work arrangements. There were no differences in the reports of managers of employees using flextime and managers of employees using telecommuting regarding the impact on work group productivity.



(36)

It seems that some feel that while productivity of employees using flexible work arrangements might be compromised in an absolute sense, the loss is compensated by the positive morale and the willingness to put in the time required to accomplish tasks and goals.

"At the same time, there are a number of productivity initiatives at work...We have a very, very, very lean staff working and those who take advantage of the telecommuting, the job sharing, etc. make it a little bit leaner and make the productivity issue a little bit tougher to deal with. It's two things pulling -- the very open, very helpful attitude in encouraging people to take advantage, but at the same time, striving for great levels of productivity and efficiency. It's a dilemma."

Tension Between Assisting Employees to Balance Their Work and Family Responsibilities and Meeting Business Goals

Managers were asked about the extent to which they felt a tension between assisting their employees with balancing their work and family responsibilities and meeting the business goals of their work group. Most managers (93.6%) reported at least some degree of tension between these objectives. There were no differences in the reports of managers of employees using flextime and managers of employees using telecommuting regarding this tension. "I think upper management supports work/life balance, but I don't think there's any leeway for not completing the work that has to be completed. I think all of our company believes in work/life balance and thinks it's the right thing. But I also think that when some Senior Vice-President wants something, he doesn't care whether somebody is not here today because they're telecommuting. It's got to get done."

SECTION



Implications for Employers

The findings from this study suggest a number of important implications for employers as they integrate flexible work arrangements in the work place. Results clearly indicate that encouraging the use of daily flextime has the potential to make employees experience better balance between their work and family lives, as well as greater job and life satisfaction. It also has positive effects on employee productivity, work quality, and retention.

The notion of "daily flextime" as the most positive form of flexibility is a key headline from this research, with important implications for companies striving to be leaders in innovative workplace practices. Employees who have access to daily flextime report more positive impacts on productivity and the quality of their work, and are more likely to stay with their company. These findings should not come as a surprise to most readers of this report, who probably can attest from their own experience that the ability to juggle the different demands in our lives when needed is critical. It is therefore quite understandable that when employees are given some latitude in arranging their time as they see fit, they are likely to respond by "going the extra mile" to get the job done well.

The issue, for companies then, is how to best support a company-wide commitment to everyday flexibility. Our experience has shown that strong statements of support from key business leaders combined with both role modeling and recognition of key individuals or workgroups is critical. In the best situation, this comes from the highest ranks of the company and is integrated throughout the organization. But there are many more examples of companies in which enlightened business leaders within certain pockets of the company embrace this commitment and make it work within their own organizations. These success stories typically serve as a catalyst for change within other parts of the company.

The good news is that the concept of daily flextime does not require extensive discussion and development of new company policies. What may be most effective, this study shows, is to broadcast the "business case" benefits of daily flextime and work with individual managers to create their own work environment that supports this broader commitment to flexibility.

Equally important to the finding that daily flextime has positive effects is the data that emerged associated with telecommuting. Telecommuting, while enjoyed by many of the employees who use it, is a much more complex issue. The picture that emerges from this study is that:

- Employees who use telecommuting have less clear demarcations between their work and family lives (e.g., are more likely to work during a vacation, experience greater time crunch in their lives, and less positive work/life balance).
- Employees who use telecommuting are less satisfied with their jobs and with their lives than are other flexible work users.
- Managers feel that they have poorer relationships with their telecommuting employees, and indicate that telecommuters are not likely to get the same promotions and good performance reviews as other employees. They also have a difficult time scheduling meetings.
- Employees as well as managers believe that co-worker relationships are more strained for telecommuters, and that telecommuters are not as likely to get the same salary increases as other employees.
- Telecommuters perceive that others view them as less committed to their jobs, and report that they are not as likely to get challenging assignments as others.

On the other hand, telecommuting does offer two important benefits:

- It allows companies to retain high performing or otherwise valuable employees; and
- It does not decrease productivity.

As such, greater caution is advised when telecommuting is integrated in the work place. Advice offered by participants of our focus groups included the importance of not enabling an employee to telecommute for more than two days per week, and not enabling employees to telecommute two days in a row. When telecommuting is used, the importance of being available to managers and co-workers was highlighted. For telecommuters themselves, our data suggest the importance of distinguishing between work time and non-work time. The fluid boundaries between work and family that develop when an employee works out of the home can have positive as well as negative consequences. Programs that instruct telecommuters on how to create separate physical spaces within their home for work and family time are important. In addition, creating concrete transitions between work time and family time are critical.

We encourage companies to use the findings from this study to help understand the specific challenges and opportunities within their own organizations. Clearly, the results from this study are not reflective of every company or each individual working a flexible schedule. What is important is that flexibility can be a win-win situation for companies and employees. Data from this study highlight the benefits that ensue when employers can trust their employees to make decisions about how their time is spent so that they are as productive as possible at work and as close to home as they need to be.

section 10



Conclusions, Study Limitations, and Next Steps

Conclusions

This study is significant for several reasons. First, the inclusion of information from people working in a variety of industries enables findings to be generalized to a variety of work environments. Second, by making the distinction between different kinds of flexible work arrangements -- daily flextime, traditional flextime, and telecommuting -- this study enables a closer examination of the effects of different types of arrangements on various workplace outcomes. Third, a more complete picture of the effects of flexible work arrangements emerges by including the perspectives of employees who use the various flexible work arrangements, their managers, and employees who do not use flexible work arrangements.

Results highlight the complexities associated with flexible work arrangements.

Employees using flexible work arrangements were more satisfied with their jobs than nonusers.

- Use of daily flextime is especially likely to reduce the extent to which employees experience time crunch and to increase positive work/family balance, job satisfaction, and life satisfaction. Employees who have the ability to structure their days so that they can meet their personal and work obligations have the best of all possible situations.
- However, the experiences of telecommuters are more troubling. Employees who telecommute have less clear work/family demarcations in their lives. They were more likely to report working during vacations, experience greater time crunches, poorer work/family balance, and less life satisfaction. These data suggest that telecommuting may actually add to the stress experienced by employees who are unable to separate their work selves from their family selves. As one telecommuter explained, having to balance the demands of her young child with those of her work all day, every day resulted in a feeling of exhaustion. The

additional strain of poor co-worker relationships and threats to salary increases make it clear that telecommuting, while potentially a positive experience from a retention and employee productivity perspective, can have negative effects.

- Employees who were not using flexible work arrangements identified a significant number of problems with them. These included resentment of employees using flexible work arrangements, problems working collaboratively, and negative effects of flexible work arrangements on work group productivity. As such, these results highlight the importance of allowing the opinions of all employees in a work group to be evaluated when flexible work arrangements are being considered.
- Finally, for many managers, flexible work arrangements served to increase workload. Yet, such managers often reported positive effects on their job performance and on the productivity of the work group.

Study Limitations

While the results from this study are intriguing, the reader is cautioned about generalizing findings for the following reasons:

- The six companies in which the study was conducted are all "best practice work/life" companies. It remains unclear whether results can be generalized to companies that do not have such excellent work/life programs.
- The number of employees using telecommuting was small.
- The study was only conducted in certain business units within the companies, so it is unclear to what extent the respondents represent the views of all employees in the companies.
- Data were not collected in a way that the employee survey data could be linked directly with the manager survey data (i.e., we have no way of knowing whether those who completed the employee surveys are being supervised by the managers who completed the manager survey).

- Data were collected in a way that reports from non-users confound whether they are referring to employees who use traditional flextime, daily flextime, or telecommuting.
- Although information was collected at companies representing diverse industries, because the number of employees and managers participating in the study from each industry was relatively small, it was not possible to examine the role played by industry.
- Employees selected for survey participation were not selected in an unbiased, random fashion.

Next Steps

Many of the findings from this study beg for greater attention and indicate the need for the following studies:

- Replication of this study in companies that include those that are "new economy," those that are just beginning to consider enabling employees to use flexible work arrangements, and those that are small to medium in size.
- An in-depth study focusing on telecommuters. Better understanding of the costs and benefits of this arrangement will aid management in making decisions about when and by whom it should be used.
- Closer examination of other flexible work arrangements, including part-time work, jobsharing, and compressed workweek.
- Return on investment studies in which the bottom line costs to companies of enabling employees to use flexible work arrangements are assessed in terms of attrition, training, and retention, with translation into real dollar costs.

APPENDIX



Study Design

Data were collected using a combination of in-depth personal interviews, focus groups, and self-administered surveys.

A total of 59 personal interviews was conducted with a variety of workers in each company, including employees using flexible work arrangements (21), co-workers who were not using flexible work arrangements (13), new employees (13) and exited employees (11). In addition, a personal interview was held with the director of a department in one of the companies that had implemented a successful flexible work arrangement (compressed workweek and telecommuting). The main criterion for new hires was that they had some family responsibilities, and the focus of the interview was on the extent to which flexibility was an attraction to the company. Interviews with exited employees focused on the factors that contributed to their leaving, including the role of flexibility, both for the

company they left and for the choice they pursued after leaving the company.

Focus groups were conducted with flexible work arrangement users and managers of users. A total of 12 focus groups was conducted, six with employees and six with managers. These focus groups included 42 employees and 36 managers. Of the employees participating in the focus groups, 34 were women; of the managers participating in the focus groups, 26 were women.

The interviews and focus groups were both conducted in Spring, 1999. Employees were selected to participate in interviews or focus groups by company representatives. Company representatives who invited employees to join the study intentionally sought those employees who were affected by flexible work arrangements, either because they used them or their co-workers used them. Managers who participated in focus groups represented a mix of individuals, some who supervised flexible work arrangement users and others who did not.

The survey data were collected from employees who reported on their own experiences with flexible work arrangements and from managers who reported on their experiences supervising employees using flexible work arrangements. Surveys were distributed to 3,900 employees and 600 managers. Since the intention of the study was to understand the ways in which flexible work arrangements impacted the lives of the people using them, their co-workers, and their managers, the questionnaires were not randomly distributed throughout the companies. Rather, they were purposely distributed to employees who were known to be using flexible work arrangements, their co-workers, and their managers. In five of the companies, surveys were sent to employees in a single business unit, and in one company, the survey was sent to one geographic location (which included more than one business unit). The criterion for selection was that the unit/location needed to include employees who used flexible work arrangements. In all cases, survey data were collected in the same location where interviews and focus groups had been conducted.

Surveys were distributed at the workplace along with a cover letter explaining the study. These letters were co-signed by representatives of the relevant company and the Boston College Center for Work & Family's Director of Research. Employees returned the completed surveys to the Center for Work & Family using postage paid by the company. Data from employees were collected during Fall, 1999; data from managers were gathered during Winter, 2000. A total of 1,511 employees (38.7% response rate) and 256 managers (42.6% response rate) completed the surveys. Due to the small number of surveys returned from employees working part-time, working compressed workweeks, or participating in job sharing arrangements, these surveys were deleted from the analyses that follow, resulting in a total of 1,353. While the surveys were returned from both managers who were currently supervising employees using flexible work assignments and those who were not, the analyses highlight the experiences of the 151 managers who were currently supervising employees using these arrangements.

Due to the voluntary nature of survey completion and the convenience sampling strategy used, we cannot be sure that the data represent either the companies participating in the study or the individual units where the data were collected. Furthermore, it should be noted that information provided in this report cannot be used to estimate the prevalence with which flexible work arrangements are used, either in the companies participating or generally.

The data collected via surveys, in-depth personal interviews, and focus groups complement one another. While the survey data provide important quantitative information about the employees and managers who participated in the project, the interview and focus group data provide rich details and more in-depth understanding of their experiences.

Characteristics of Survey Participants

Table 1 presents demographic information about the 1353 employees participating in the survey. Employees ranged in age from under 25 to over 65. The overwhelming majority was White, and most had at least a college degree. Close to half of the respondents had a child under age 19 living in their household; 15.8% were responsible for elder care. Oneway commute times ranged from under 15 minutes to more than an hour, with the majority of respondents spending between 16 and 44 minutes commuting to work. Participants reported working a mean of 50.6 hours per week, with hours worked per week ranging from 40 to 96.

	(N=1353)
Gender	
Male	48.3%
Female	51.7%
Age (years)	
< 25	3.5%
25-34	30.4%
35-44	37.9%
45-54	22.0%
55-64	5.8%
65+	0.4%
Highest Level of Education	
High school or less	12.3%
Associate degree	12.5%
College degree	35.8%
Advanced degree	35.4%
Missing	4.0%
Ethnicity/Race	
White (not of Hispanic origi	n) 83.2%
Black (not of Hispanic origin	ı) 4.1%
Hispanic	2.7%
Asian	7.2%
Other	2.8%
Marital Status	
Single	28.4%
Married	67.2%
Missing	4.4%

TABLE 1. – CHARACTERISTICS OF EMPLOYEES

	(N=1353)	
Household Income		
< \$25,000	0.9%	
\$25,000-\$49,999	11.6%	
\$50,000-\$74,999	23.8%	
\$75,000-\$99,999	25.5%	
\$100,000-\$149,999	25.1%	
\$150,000-\$200,000	8.0%	
> \$200,000	4.9%	
Current position		
Office	12.0%	
Professional	57.3%	
Production	2.8%	
Customer service	8.3%	
Management	13.5%	
Sales	2.4%	
Other	3.7%	
Children under 19 in household	(yes)45.8%	
Elder care responsibilities (yes)	15.8%	
One-way commute time		
<15 minutes	14.4%	
16-30 minutes	31.3%	
31-44 minutes	22.3%	

 31-44 minutes
 22.3%

 45-60 minutes
 22.1%

 >60 minutes
 10.0%

 Hours work/week (mean)
 50.6

Table 2 depicts characteristics about participating managers. Most were male and ranged in age from 35 to 44. The majority of managers had earned advanced degrees and had been working for their company for more than 10 years. Managers typically had been in their current jobs 3 to 5 years. Most characterized themselves as middle management. The managers supervised an average of 3.2 employees using daily flextime, 5.0 employees using traditional flextime, and 1.2 employees using telecommuting.

	(N=151)		(N=151)
Gender		Tenure at Company	
Male	70.7%	Less than 5 years	21.2%
Female	29.3%	5-10 years	11.9%
		More than 10 years	66.9%
Age (years)			
< 34	10.6%	Years in Current Job	
35-44	53.6%	Less than 1 year	17.9%
45-54	24.5%	1-3 years	28.5%
55-64	11.3%	3-5 years	25.2%
		5-10 years	17.9%
Education		More than 10 years	10.6%
High School or Less	3.3%		
College	31.1%	Management Level	
Advanced Degree	64.2%	Direct Line	22.4%
Race (% White)	86.8%	Middle Management	66.0%
		Upper Management	11.6%

TABLE 2. CHARACTERISTICS OF MANAGERS

Characteristics of the Companies

The companies participating in the study provided their employees with a wide range of work-life benefits. All provided employees with work-life resource and referral services, and all had either on-site fitness rooms or nearby facilities. Most provided a lactation room and financial aid for adoption. Three of the companies provided on-site childcare.

At the time that data were collected, none of the participating companies had a universal flexible work policy. Some of the companies were in the process of developing policies and documenting the procedures that would be used to enable employees to use flexible work arrangements. One of the companies offered a "flexible work arrangement proposal kit" to aid employees in putting together a proposal and to guide negotiations. However, awareness of this kit was limited among employees. While some of the companies were openly supportive of employees using flexible work arrangements, others permitted only some employees to use them and discouraged their usage from becoming common knowledge among other employees.

APPENDIX .



About the Companies

The Participating Sponsors of this study joined the project for a range of reasons, including the need for benchmarking data, information about the barriers to implementation of flexible work arrangements, information about how flexible work arrangements can be used to attract and retain valuable employees, and data to help them strategize about program institutionalization.

The National Work Life Measurement Project, a first-of-its-kind cross-company study owes its success to the willingness of these six organizations to open their doors to the Boston College Center for Work & Family.

AMWAY CORPORATION



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With today's rapidly evolving work environment, Amway Corporation is taking proactive steps to create effective work/life policies. Our company's goal is to create a work environment that supports our business strategy and enables our employees to maintain a balance between their work responsibilities and personal lives. The National Work Life Measurement Project provided us in-depth and objective feedback based on benchmarks among other leading US corporations.

Amway has always been proud of its history as an employer of choice. However, as Amway Chairman Steve Van Andel stated: "It's not sufficient to be on a list that says we are one of the best place to work. It's more important that our employees believe that Amway is the best place to work."

BRISTOL-MYERS SQUIBB COMPANY



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HONEYWELL

Honeywell

Honeywell is a US \$24billion diversified tech-

nology and manufacturing leader serving customers worldwide, employing approximately 120,000 people in 95 countries. The company was formed in December 1999 with the merger of two global leaders, AlliedSignal and Honeywell, Inc.

You can't see most of our products, but you can count on them. Your safe flight might depend on our collision avoidance and traffic control systems, wing ice and wind shear sensors, autopilots and landing systems. Our control systems keep your home and office at just the right temperature. Our chemicals for pharmaceuticals help safeguard your health. Our space age fibers make body armor bulletresistant. And, as leading makers of safer substitutes for CFC's, we help protect the earth's ozone layer.

To better integrate business goals with employee goals, we set out about three years ago to find the "employee win." One of the most powerful things we heard from employees is that the way a supervisor or manager interacts with the employees on his or her team is the most important factor in an employee's experience of the company. All the programs and policies in the world won't make a difference if you don't have a supervisor who creates an environment where there is trust and employees feel respected and can access the information and resources that are right for them - - when they need it.

We wanted employees to feel that what they get from their association with Honeywell can't be matched by any other company. We need to deliver more value to our people for each dollar we spend. And we don't want to spend more. We focused our programs around the kinds of help that fit our people and our environment. What we embarked on was not a quick fix--it was a long-term strategy.

Honeywell participated in the National Work Life Measurement project because we wanted to measure two things:1) the impact on productivity that supervisor's relationship has with an employee and,2) the value our employees put on several program enhancements we put in place three years earlier through an initiative called "Total Value." We rate our improvement through employee satisfaction results, surveys such as the work/life measurement project, marked improvements in our retention rates, and through better customer satisfaction and labor productivity. The Boston College National Work Life Measurement Project helped us to better understand our people's challenges and to measure the impact that our initiatives have on their work and personal lives.

KRAFT FOODS, Inc.



Kraft Foods, Inc. is the North American food business of Philip

Morris Companies Inc. It traces its history to three of the most successful food entrepreneurs of the late 19th and early 20th centuries: J.L. Kraft, Oscar Mayer, and C.W. Post. Today, Kraft Foods is the largest U.S. based packaged food company in the world with some of America's best-loved brands such as Kraft cheeses, dinners and salad dressings, Oscar Mayer meats, Maxwell House coffees, Post ready-to-eat cereals, Jell-O desserts, Kool-Aid beverages, Philadelphia cream cheese, Tombstone pizza, Stove Top stuffing mixes, and Miracle Whip salad dressing.

To reach Kraft's goal of Undisputed Leadership in the Food Industry, Kraft must be considered by its employees to be the "employer of choice". To reach that goal, Kraft Foods is focusing on improving employees' satisfaction with their work and life.

As a result of a recent Philip Morris Worldwide employee survey, indicating that work life was an area about which Kraft Foods employees were most concerned, Kraft is concentrating efforts on work life in much the same way the company focused on diversity several years ago. Some of the key issues that Kraft Foods is struggling with are how to get employees to take advantage of work life policies and programs currently in place and how to create a culture that is more accepting of using these policies.

The National Work Life Measurement project is a tool to understand the impact of work life programs on employees satisfaction with work life, as well as a manual that will provide a blueprint for implementing measurements of work life satisfaction at Kraft Foods. This project provided Kraft Foods with three important outcomes: 1) Provide direction for future Work Life programs 2) Gain a better understanding of the barriers that slow or prevent work life initiatives from being successful. 3) Develop and implement ongoing measures to ensure we meet employees needs.

LUCENT TECHNOLOGIES

Lucent Technologies Bell Labs Innovations Lucent Technologies, headquartered in Murray Hill, N.J.,

USA, designs and delivers the systems, software, silicon and services for next-generation communications networks for service providers and enterprises. Backed by the research and development of Bell Labs, Lucent focuses on high-growth areas such as optical and wireless networks; Internet infrastructure; communications software; communications semiconductors and optoelectronics; Web-based enterprise solutions that link private and public networks; and professional network design and consulting services. For more information on Lucent Technologies, visit its Web site at http://www.lucent.com.

Lucent has created a high performance work environment, where employees embody the company to customers. We recognize that an important component of such an environment is to have a workplace that is open, supportive and diverse. To that end, we survey all employees annually to better understand how employees experience and perceive the work environment. In the National Work/Life Measurement Project, we saw the opportunity to take a closer look at how specific work/life programs are viewed by employees, and the extent to which such programs increase employee commitment. Participating in the project provided a unique way to simultaneously obtain internal, company specific information and external benchmark data. all collected within the same framework. The study will also give us, and the business world at large, concrete evidence of the importance of supportive management and the benefits that a company can reap. We plan to use the results of the study and the tools developed in the process to educate Lucent managers of the intrinsic value of programs that support work/life issues and to encourage all Lucent colleagues to adopt practices that contribute to the success of our employees and, therefore, our company.

Lucent Technologies designs and delivers the systems, software, silicon, and services for next-generation communications networks for service providers and enterprises. Backed by the research and development of Bell Labs, Lucent focuses on high-growth areas such as optical and wireless networks, Internet infrastructure, communications software, communications semiconductors and optoelectronics, Web-based enterprise solutions that link private and public networks; and professional network design and consulting services.

Lucent has created a high performance work environment where employees embody the company to customers. We recognize that an important component of such an environment is to have a workplace that is open, supportive, and diverse. To that end, we survey all employees annually to better understand how

employees experience and perceive the work environment. In the National Work/Life Measurement Project, we saw the opportunity to take a closer look at how specific work/life programs are viewed by employees and the extent to which such programs increase employee commitment. Participating in the project provided a unique way to simultaneously obtain internal, company-specific information and external benchmark data -- all collected within the same framework. The study will also give us, and the business world at large, concrete evidence of the importance of supportive management and the benefits that a company can reap. We plan to use the results of the study and the tools developed in the process to educate Lucent managers of the intrinsic value of programs that support work/life issues and to encourage all Lucent colleagues to adopt practices that contribute to the success of our employees and, therefore, our company.

MOTOROLA, INC.



Motorola is extend-**MOTOROLA** ing human capabilities by providing

integrated wireless communication and embedded electronic solutions for the individual, the work-team, the vehicle, and the home. The new Motorola develops and delivers new ways to meet people's insatiable desire to communicate. We are one of the leading architects of a world without wires, without borders, without limitations.

In a world where wireless is pervasive, the wireless Internet offers a new world of personal networking. For business enterprises and government agencies, it offers flexibility to better manage their communications systems. With the convergence of voice, video, and data, Motorola is focusing on broadband solu-

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tions that deliver interactive television, Internet, and telephone services. In a world where embedded systems are proliferating, we make things smarter, simpler, safer, and more synchronized. Motorola is committed to being the link between people's dreams and technology's promise.

Motorola is committed to providing work/life policies and programs that will increase employee productivity, attract and retain key talent, and help employees balance their professional and personal lives. We are aware of the necessity to provide quantitative measurable data to substantiate that these programs and policies are indeed value added.

APPENDIX 🗸



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