

SHRM Research Spotlight: Workplace Flexibility in the 21st Century

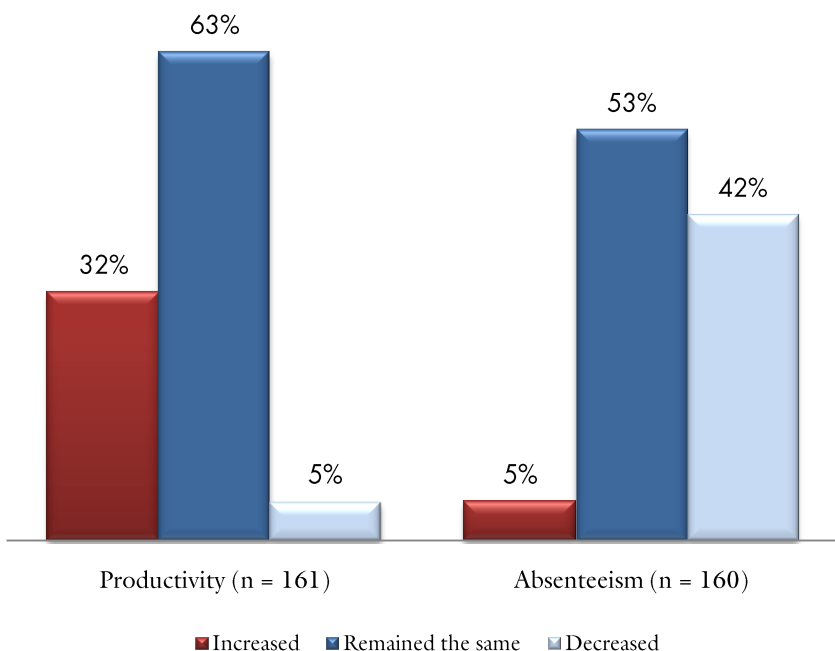
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The Top Five Positive Effects of Formal Flexible Work Arrangements



Productivity and Absenteeism Rates of Telecommuters



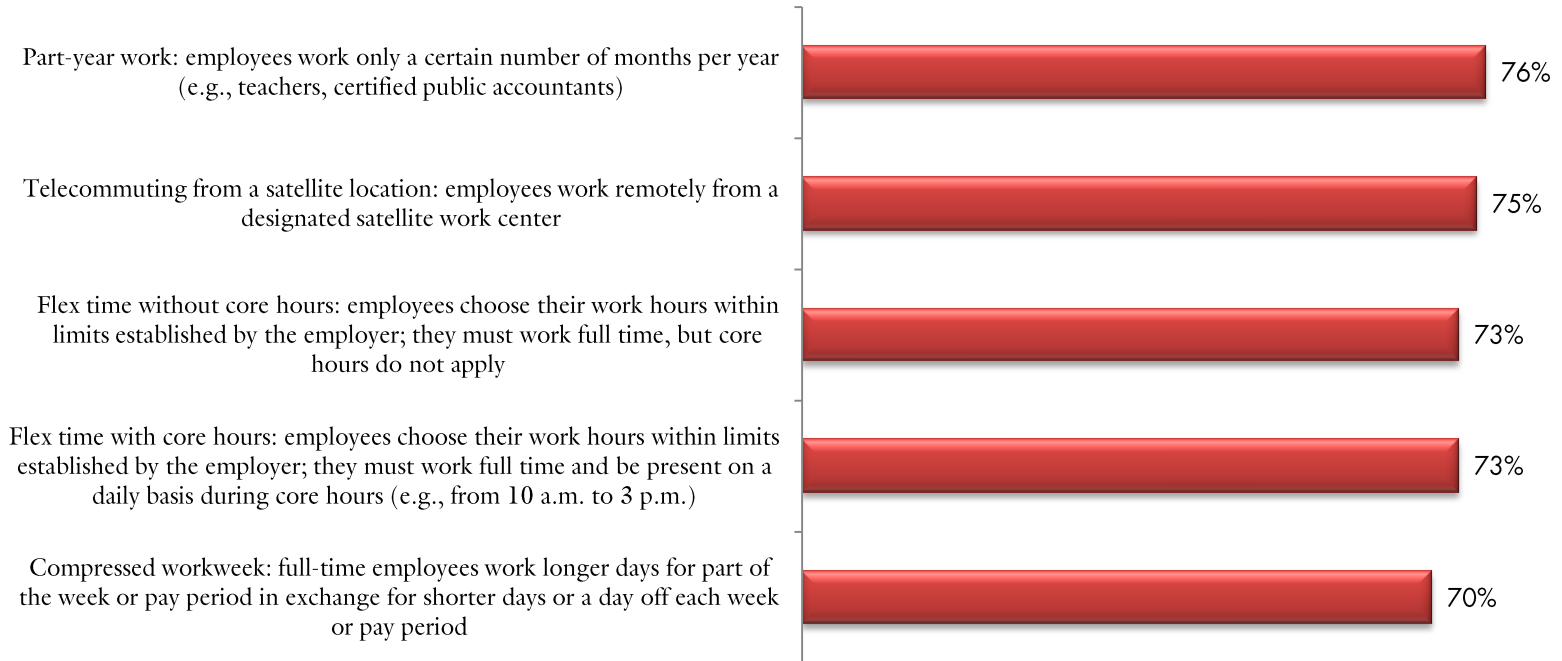
Definition

Flexible work arrangements (FWAs), for the purpose of this research, mean greater flexibility in: (a) the workplace in general, (b) the scheduling of hours worked and (c) the number of hours worked. Such arrangements give *employees* greater control over where and when work gets done and over how much time they choose to work, leading to greater opportunities for employees to be able to enjoy an optimal balance between work and life responsibilities.

Key Findings

- **Do flexible work arrangements make employees happier?** The quality of employees' personal/family lives is positively affected as a result of implementing flexible work arrangements, according to two-thirds of HR professionals (68%). Another two-thirds (67%) of HR professionals believe implementation of formal flexible work arrangements had a positive impact on employee morale, job satisfaction and engagement.
- **How can I keep my top performers?** HR professionals believe that employee retention (67%) has been positively affected by the implementation of flexible work arrangements.
- **Does work at home increase productivity?** Companies with formal FWAs have seen increased productivity rates of telecommuters at their organizations and a drop in absenteeism.
- **Is telework the way of the future?** The majority of HR professionals (85%) reported that in the next five years, telecommuting would likely (responded "somewhat likely" or "very likely") be more commonplace for organizations in general than it is today. And 43% of HR professionals believed that in the next five years, a larger proportion of the workforce at *their organization* will be telecommuting.

Top Five Formal Flexible Work Arrangements Rated “Very Successful”



What Do These Findings Mean for Businesses?

Understand your business needs: Have your organization’s needs changed? Are your customers demanding services 24/7?

- Organizations can use FWAs to achieve their business goals and at the same time meet employees’ need to do their work outside of traditional work hours.
- Employee requests (68%) were the top reason that prompted organizations to offer formal FWAs.
- During economically challenging times, when many organizations are searching for ways to cut costs, FWAs—for example, job-sharing or part-time positions—may be an alternative to downsizing through layoffs.

Communication is essential: Do employees understand how your FWA program works? Are FWAs appropriate for all of your business units? Are line managers involved in the design and implementation of FWAs?

- Communication between line managers and their direct reports is vital to the success of an organiza-

tion’s FWAs. Open communication helps line managers understand their direct reports’ needs.

- Creating a flexible work culture where employees know that management wants them to succeed at work and in their personal lives will help employers design and implement effective FWAs that are mutually beneficial.

Gauge the success of FWAs: Does your organization have a way of measuring the success of its FWAs?

- Overall, only 13% of organizations that formally offered FWAs reported measuring the success of these programs. If adequate information is not available to demonstrate the value of a program to the organization, that program may not get the support of top management.
- Organizations can use easy-to-administer tools such as employee surveys to measure their program participation rate and employee satisfaction with the program.

Methodology | A sample of HR professionals was randomly selected from SHRM’s membership database, which included approximately 250,000 individual members at the time the survey was conducted. For this analysis, 511 responses were used, yielding a response rate of 19%. The margin of error for this survey is +/- 4%. Download the *Workplace Flexibility in the 21st Century Survey Report (2009)* at www.shrm.org/surveys.