

## BUSINESS INTELLIGENCE

# It Pays to Be Flexible at Work

Rather than just targeting women, successful flexible work programs include all employees. *By Alison Wynn*

When Sheryl Sandberg, Facebook's chief operating officer, announced that she leaves work at 5:30 p.m. every day to have dinner with her kids, public reactions ranged from impressed to appalled. In the article "Facebook COO Sheryl Sandberg: Heck Yes I Leave at 5:30 Every Day," Sandberg explained that she returns to her work emails after her kids are asleep, but she insists on spending the early evening with her family. Among some of the more vitriolic responses to her confession in the article's comments section: "Well, she ought to leave early since [Facebook] ... does not produce any 'real' products."

Even for someone with a stellar track record, leaving work to spend time with family can invite criticism. While Sandberg doesn't seem to have suffered career setbacks, many employed mothers cannot say the same. A 2007 study published in the *American Journal of Sociology* titled "Getting a Job: Is There a Motherhood Penalty?" shows women who give the slightest evidence of being a mother are less likely to be seen as promotable or deserving of high salaries. And things haven't changed much since then.

Both men and women who take parental leave or work a flexible schedule often experience slower wage growth and

lower odds of promotion. Academic researchers term this phenomenon the "flexibility stigma." Employees who use flexible work arrangements tend to reap fewer organizational rewards, such as pay and promotions, even when they demonstrate high performance.

At the 2013 Redesigning, Redefining Work summit convened by the Clayman Institute for Gender Research at Stanford University, more than 100 leading academics, corporate experts and policymakers strategized ways to overcome this stigma and design viable flexibility programs in corporate environments. By restructuring the workplace to better meet employees' needs for flexibility, companies can harness employees' talent and productivity and reduce high turnover and dissatisfaction.

### Landscape of Flexibility

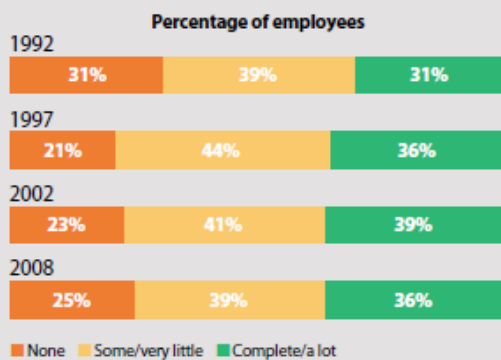
If companies want to create a more welcoming environment for women, they can start by creating better work-life structures for the entire workforce. Rather than targeting women and mothers, successful flexibility programs apply to all employees.

Further, some companies offer programs that allow employees to customize where and when they work. But these programs can be ineffective or underused because employees fear the stigma.

According to the 2008 Families and Work Institute's National Study of the Changing Workforce, while 87 percent of employees reported that flexibility would be an "extremely important" or "very important" consideration in a new job, only 36 percent had "a lot" or "complete" control over their schedules in their current job (Figure 1). The study also found that 42 percent of employees report work and family life conflict, and many who want to work from home were unable to do so (Figure 2, page 42).

The study found no significant differences between men and women in their desire for traditional flextime — or varying workday start and end times within a set range; daily flextime — changing workday start and end times on short notice; compressed workweeks; and working from home.

**Figure 1: Employees' Perceptions of Control Over Their Schedules**





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Further, according to the institute's 2012 National Study of Employers, companies fall short when trying to create a culture supportive of flexibility. For example, only 12 percent of survey respondents agreed with the following statement: "The organization makes a real and ongoing effort to inform employees of available assistance for managing work and family responsibilities" (Figure 3).

While the majority of employers allow modest flexible accommodations, such as periodically shifting starting and stopping times (77 percent) and working from home occasionally (63 percent), fewer provide more substantial accommodations; only 39 percent allow daily shifts in starting and stopping time, and 33 percent allow regular remote work.

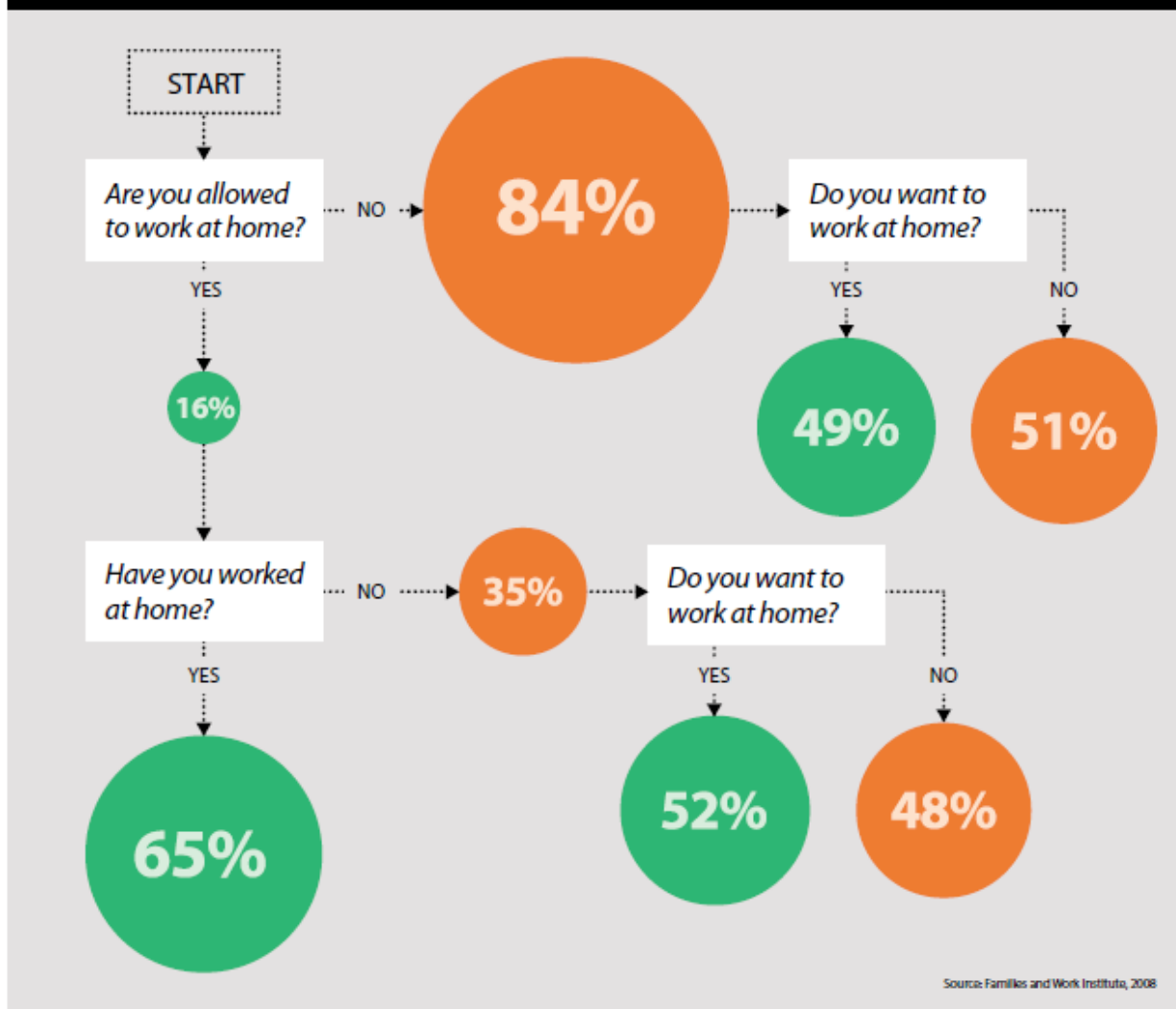
Essentially, companies often fail to offer the accommodations employees need most. When these programs do exist, employees often lack the support to take advantage of them.

### Work Redesign vs. Accommodation Policies

To combat the flexibility stigma, companies can offer flexibility in a way that applies to all employees, rather than singling out those who deviate from a "normal" schedule. In 2013 research from the Redesigning, Redefining Work collaboration, scholars Leslie Perlow and Erin Kelly termed the approach that applies to all workers a "work redesign" model, which they contrast with a model where individual employees negotiate special accommodations.

For example, the Results-Only Work Environment initiative, originally implemented by Best Buy Co. at its corporate headquarters and later taken to other organizations such as Gap Inc., allows all employees to work whenever and wherever they want, as long as they complete their work effectively. By emphasizing results over face time, the initiative changed the definition of success in the organization. ROWE

**Figure 2: Preferences for Working at Home**



increased employees' schedule control, decreased their work-family conflict, reduced turnover and improved health.

Similarly, Boston Consulting Group implemented an initiative requiring employees to take one weeknight off each week — an anomaly in the consulting industry. Teams met weekly to discuss the timing and sequence of work tasks given the nightly time off. At first, consultants worried this time off would hinder their productivity and advancement. However, eventually both consultants and their clients noticed the benefits. In addition to increasing consultants' productivity and satisfaction, the planned absences increased communication among team members. By enabling frank conversations about work-life balance, the time off encouraged teams to manage their work more effectively. Clients reported increased satisfaction, and consultants reported increased likelihood of remaining with the company. BCG has since expanded this initiative globally.

Both programs contain the same key strength: universal applicability. Unlike other flexibility programs, where some employees opt in and risk stigmatizing themselves, these programs insist on flexibility for all employees. This builds flexibility into the fabric of everyday work.

### The Importance of Performance Management

While companies may find the work redesign model intimidating, even small changes can improve flexibility. Jennifer Allyn, managing director for PricewaterhouseCoopers, said when the company realized that high-performing employees who took leave often struggled to receive top performance

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ratings, the company instituted options for employees on leave to opt out of the performance distribution, roll over their prior year's rating and receive feedback without direct comparisons to their peers. In addition to providing flexible options, PwC took steps to align performance and reward systems with flexibility policies to reduce the chance employees would face career penalties for taking leave.

Flexibility programs must be integrated with existing structures, such as companies' performance management systems, for flexibility to succeed. Employees cannot feel they are exchanging flexible arrangements for career success.

**Figure 3: What Does a Culture That Supports Flexibility Do?**

#### Organizations strongly agreeing with these statements:

Supervisors are encouraged to be supportive of employees with family needs by finding solutions that work for both employees and the organization.

58%

The organization makes a real and ongoing effort to inform employees of available assistance for managing work and family responsibilities.

25%

Management rewards those within the organization who support effective flexible work arrangements.

12%

Our organization's personnel policies and practices sometimes stand in the way of providing workplace flexibility.

12%

■ Percentage answering 'very true'

Source: Families and Work Institute, 2012

According to data from the U.S. Census Bureau's 2013 report "America's Families and Living Arrangements," only 18 percent of families with children follow the traditional male breadwinner model, with an employed husband and a wife who stays home. In the majority of families, combining work and family is not a luxury — it's a necessity. Therefore, flexibility is no longer a one-off accommodation for new mothers. Employees of all genders and life stages seek to integrate work with other aspects of their lives.

Companies must innovate if they wish to provide the flexibility employees need. Companies stand to reap the benefits, too, as successful flexibility programs increase employee satisfaction, health and retention. However, to be successful, such programs must avoid creating a stigma for those who take advantage of them.

Offering flexibility to all employees, rather than singling out exceptional cases, can transform workplace standards for success and change the way people think about work. Successful programs also align with existing structures, such as performance management systems, so employees can take advantage of innovative programs without suffering career setbacks.

Enabling employees to balance work and personal life serves the best interests of employees and their companies. By implementing programs designed to avoid the flexibility stigma, companies can empower the workforce to thrive without pitting work success against personal fulfillment. «

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