



Advancing women in business.

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INFO**brief**

Flexible Work Arrangements

Providing opportunities for flexible work arrangements, such as flextime, compressed workweek, part time, job share, and telecommuting, can create a more productive and effective work environment. Catalyst began research on work/life issues in 1968, when flexible work arrangements were limited in scope and usage. Since then, more and more companies and professional services firms realize that to meet strategic business goals more effective staffing options must be incorporated into the way we work.

Through both our research and advisory services with member companies, Catalyst has developed expert knowledge about how to successfully implement workplace flexibility. Since 1989, Catalyst has conducted five major studies that specifically examine workplace flexibility as well as numerous industry studies that provide insight into the use of flexible work options.

DEFINITIONS

Full-Time Flexible Options are variations of full-time schedules that do not affect salary, benefits, or time frame for career advancement.

- **Flextime:** The most widespread form of flexibility. Employees choose starting and ending hours, but usually must be at work during a core period when all employees are present.
- **Flexible week:** A variation on the standard workday and workweek. For example: (1) fewer but longer days ("compressed work week"); (2) shorter days in a six-day week; and (3) two or more weeks with longer and shorter days, but an average not exceeding 37.5 or 40 hours per week, or whatever the standard work week is within the company.
- **Work-at-home, Flexplace or Telecommuting:** Some or all work done at a location other than the regular worksite, usually an employee's home, or a satellite or branch office. Telecommuting implies that an employee is connected to the office by use of electronic equipment (e.g., computer, fax machine).

Flexible Reduced-Time Options involve fewer hours than full time. These arrangements can affect salary, benefits, and career advancement to varying degrees depending on the arrangement, its length, and company policy.

- **Part-time:** Most familiar to employers; most sought after by employees among the reduced-hour options. A reduced work schedule that can take various forms: reduced weekly hours, reduced annual hours, or transactional work (full time on a specific project with time off between projects).
- **Job sharing:** Two people share or divide the responsibilities of one full-time job.
- **Part-time Telecommuting:** A combined flexible arrangement. An example is when an employee works at a location other than the main worksite and works fewer hours than full time.

Source: Catalyst, Making Work Flexible: Policy to Practice, 1996

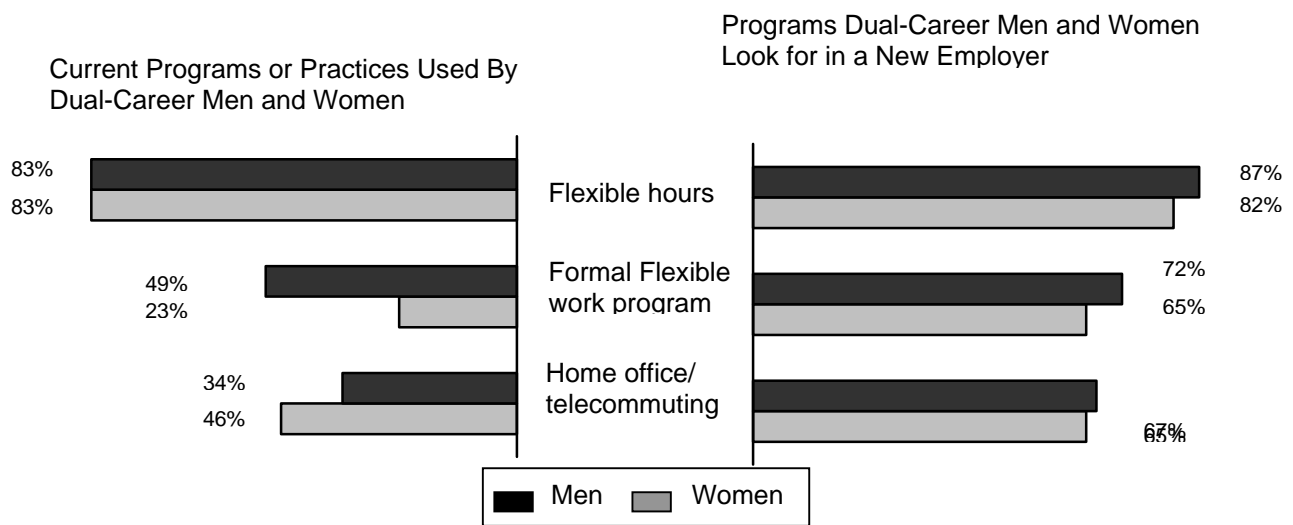
STATISTICS

Due to changing demographics and pressures in the marketplace employees now are demanding flexible work options more than ever:

- In 2000, 51% of married couples were dual-career couples, up from 44% in 1967.
- In 2000, 65% of all mothers with children under the age of 6 were in the labor force, up from 39% in 1975.
- In 2000, 23% of the labor force worked part time. Of those part-time workers, 23% (6.7 million people) were managers and professionals.

Source: U.S. Department of Labor, Bureau of Statistics

Both men and women are looking for flexibility.



Source: Catalyst, *Two careers, One Marriage: Making it Work In the Workplace*, 1998

Catalyst's Flexibility Facts:

In a 10 year study of women who pioneered part-time arrangements, Catalyst finds that working mothers may want to briefly reduce career involvement, but they do not want to forgo career progress or leave the labor force. Flexible work arrangements are a means to achieving their life goals.

- All of the women in the study hold mid- and senior level positions and more than half have earned promotions in the past decade.
- 71% the 24 women in this study reported they would have left their employer or only stayed on a short-term basis if they had not been able to take advantage of flexible work arrangements.

Source: Catalyst, *Flexible Work Arrangements III: A Ten-Year Retrospective of Part-Time Arrangements for Managers and Professionals*, 2000

A study that examines new approaches to flexibility finds part-time arrangements increase both commitment to the firm and to the job. Men and women need flexible options, but women are much more likely to reduce their work hours.

- 53% of part-time professionals reported that their commitment to their employer increased due to their arrangement, while 48% of part-time professionals reported that commitment to their job increased.

- 98% of part-time professionals and 78% of full-time professionals agreed that offering flexible work arrangements helps their employer retain valuable employees.
- Managers play a key role in the success of flexible work arrangements. However, 45% of the participants in the study agree that senior management supports workplace flexibility.

Source: Catalyst, *A New Approach to Flexibility: Managing the Work/Time Equation*, 1997

A study of graduates of the top 12 MBA programs in the United States finds that:

- Over half of employees in this study, 54% of women and 55% of men, have utilized flextime options.
- 73% of the women in this study work full time, compared to 95% of the men.
- 29% percent of the women in the study have worked continuously full time since attaining their MBAs.

Source: Catalyst, *Women and the MBA: Gateway to Opportunity*, 2000

In a study of graduates of five of the top ten law schools, Catalyst finds that both men and women feel that participating in flexible options adversely affects their career advancement:

- 73% of female associates and 75% of male associates have difficulty balancing work and personal life. Partners in law firms tell a similar story, 70% of women and 77% of men strongly agree.
- Two-thirds of women, and half of men, who are working as in-house counsel chose their current employee based on work/life balance.
- However, it is believed that these options have consequences. Only 22% of law firm women and 9% of in-house counsel women do not believe using a flexible work arrangement will affect their advancement.

Source: Catalyst, *Women in Law: Making the Case*, 2001

Implementation Strategies

Catalyst's model for creating a flexible work environment provides a comprehensive approach to reach four critical goals. These strategies transfer easily to other change processes. Approaching change strategically with concrete tactics and practices is highly applicable to achieving any organizational goal.

GOALS	STRATEGIES			
I: Build Organizational Support	Define/explain link to business goals	Ensure and communicate senior management support	Articulate commitment to flexibility	Identify and support pilot programs
II: Support Managers and Employees	Provide Tools	Evaluate effectiveness	Share models and case studies	If necessary, revise systems
III: Internalize the Practice	Incorporate into other initiatives	Create and support relationships and networks	Expand and refine HR department roles	Assess perceptions, experiences, and acceptance
IV: Sustain the Commitment	Communicate internally about issues	Promote flexibility internally	Implement accountability measures	Evaluate work environment and modify activities

Source: Catalyst, *Masking Work Flexible: Policy to Practice*, 1996

BEST PRACTICES

Ernst & Young, Hewlett-Packard and IBM, are three examples of organizations that have internalized the practice of flexibility and sustained their commitment over time.

In response to dramatic statistics and client demands for consistency in service, **Ernst & Young** created the Office of Retention to address issues of work/life balance and women's particular needs in this area. Ernest & Young's Office of Retention has used technology as a tool to "convince employees it is safe to use flexible work arrangements." Employees now use the electronic FWA Roadmap and FWA Database to research and apply for flexible work arrangements. The FWA Roadmap is an interactive tool that guides individuals through the flexible work arrangement application process. It provides detailed information about the available programs. The FWA Database contains personal stories of individuals using flexible work arrangements. The database also stores statistics; demonstrating internal success stories to partners and employees alike that a flexible work arrangement does not hinder career advancement or jeopardize client relationships.

Hewlett-Packard has a long tradition of commitment to work/life issues as a business priority that continues today. Hewlett Packard's supportive culture originates from its earliest years when the company founders, Bill Hewlett and Dave Packard laid out five organizational values to guide management practices. In 1993 Lew Platt became CEO, and immediately began to advocate for work/life resources and workplace flexibility. Six years later, in July 1999, Carly Fiorina took the helm as CEO and president. Fiorina spearheaded the reinvention of HP, which incorporated workplace flexibility and support for the whole person. Flexible work options are used by many of the HP employees 52,000-use flextime, more than 7,000 telecommute, 2,300 work on a compressed work schedule, and 1,050 work part-time. Hewlett-Packard has fostered a range of management practices such as Management by Wandering Around that encourage workers to consciously evaluate activities to ensure maximized effort and time.

IBM was one of the first U.S.-based companies to systematically address work/life issues outside of the United States. Using employee survey data from the United States, Europe and Latin America IBM formed the Global Partnership for Workforce Flexibility. This is a cross-functional group comprised of senior executives and members of the IBM World Wide Management Council, who are responsible for addressing issues related to workload and work/life balance. The Partnership launched a series of pilot projects to address the issues raised by the survey data. Even though employees throughout the globe expressed similar issues related to work/life balance, each area would require custom-tailored solutions to meet its specific cultural needs. IBM the adopted the "80-20 rule", (percent of the policy/program is set in stone, and 20 percent of the policy/program can be tailored by each division.) Focus groups held in Europe helped to surface five central issues to address immediately. IBM Latin America devised a web-based communication strategy to promote flexible work arrangements and to help employees requesting them". The success of the global pilot projects has been credited to senior-level commitment, employee involvement in identifying the root causes of dissatisfaction, communication efforts that share the results of the geographically specific projects with employees worldwide, and recognition that these plots are part of a process of continuous improvement to help create a supportive environment.