

The SCOOP

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FLEXING WORK TIME & LOCATION

BENEFITS OF FLEXIBLE WORK ARRANGEMENTS

Flexible work arrangements can have a significant positive impact on recruitment, employee engagement and retention. For example, data mined from over 400 telecommuting academic research papers found that remote working can increase employee productivity up to 40%. A 2014 Stanford study found that call center employee productivity increased 13% when working from home.

Some of that increase may be due to the fact that telecommuters have fewer distractions and lower commute time, freeing them up to get more work accomplished. A University of Texas study found that telecommuters worked 5-7 hours longer per week than employees who worked in an office. According to AT&T, their telecommuters work an average of 5 more hours per week than their counterparts in the office.

A Pennsylvania State University study showed that people who work from home are happier than those in the office. According to Gallup, 30% of employees who do not telecommute are engaged. That number jumps to 36% for individuals who telecommute 1-20% each week (typically ad hoc telecommuting schedules). Employees who telecommute between 1-3 days per week show the highest engagement levels. Employee engagement actually declines to 32% and 30% for employees telecommuting 4-5 days per week.

Willis Towers Watson reports similar results. Employees who do not have the ability to work from home or work flexible hours show 25% engagement. That number increases to 45% and 50% for those who sometimes or frequently (respectively) have these arrangements.



PREVALENCE OF FLEXIBLE WORK ARRANGEMENTS

Across the U.S., organizations have responded to changing employee preferences and have leveraged technology to increase part-time telecommuting opportunities for employees who are not in customer-facing roles where attendance at a specific location is required to do the work.



According to the 2019 SHRM Benefits Survey, over 40% of organizations offer part-time telecommuting to some employees. Thirty-seven percent of employers with less than 500 employees and 50% of employers over 500 employees offer part-time telecommuting options.

Approximately 17% of surveyed cooperatives offer part-time telecommuting and 100% offer it on an ad hoc basis. It is more common for administrative/central office employees to have a part-time telecommuting schedule than employees located in field offices.

Organizations have found flex time an easier benefit to provide to employees because it is easier to monitor and is less disruptive to customer-facing jobs.

When start and end times vary within an office, it has an additional benefit of providing longer office hours, which can benefit customers as well. The 2019 SHRM Benefits Survey found that 57% of employers offer flextime during core business hours, 29% outside of core business hours, and 47% mealtime flex (employee has shorter or longer lunch period and adjusts their work day to reflect that modified timeframe). Fifty percent of surveyed cooperatives allow some employees to flex start and end times.

PITFALLS TO PLAN FOR

Not all positions, employees and flexible work arrangements are the same. The best organizations take precautions when implementing and/or expanding these benefits to employees.

Below are common drawbacks that can be resolved through:

- Defining clear expectations
- Establishing a formal written agreement for ongoing arrangements
- Ongoing communications between the manager and employee
- Leveraging technology in telecommuting

Less Oversight. With less face-to-face time, managers may need to modify their management style to ensure high production and quality standards are met. Rather than monitoring ‘time in seat’, managers shift to a management style of monitoring work output.



Monitoring Hours. While exempt employees are paid to do their job, non-exempt employees are paid hourly. This difference holds a number of organizations back from allowing non-exempt employees to telecommute. Monitoring non-exempt employees can be accomplished by leveraging technology such as instant messaging, utilizing call forwarding or soft phones (work phones installed on the employee’s computer), and/or video conferencing. Successful organizations set expectations with non-exempt employees to ensure employees record all hours worked. Managers can monitor adherence to FLSA regulations by checking in with employees and being aware of when emails and instant messages are sent and comparing that with hours logged in the time keeping system.

Entitlement. To ensure flexible work arrangements do not become an entitlement, effective organizations remind employees that the arrangement is a privilege that can be removed at any time. Typically, employees will not risk damaging that privilege because it is so important to them. Organizations should not hesitate to pull flexible working arrangements from individuals who abuse them or are unsuccessful with the defined arrangement.

Security Concerns. Computer and paper security is important to discuss with individuals who telecommute. Security protocols are often included in a telecommuting agreement. For example, some organizations utilize online training on remote access security to remind employees about the importance of maintaining confidential information.

Limited Career Potential. There is a historical stigma that flexible work arrangements may be career-limiting. While this is still the case in some organizational cultures and could be factor in higher level jobs when someone is working a reduced schedule, it is far less prevalent than it used to be. The increase in dual-career or single parents, technology improvements, scientific proof of productivity, and shifts in employee expectations is chipping away at this stigma. The prevalence of flexible work arrangements increases each year.

Team Cohesion. While independent working has its benefits, team collaboration and networking is also critical to business success. Best practice organizations find ways for employees to connect when offering telecommuting arrangements. This could be through implementing “in-office days” when everyone is expected to work in the office, using Instant Message to stay connected during the day, or utilizing video conferencing or webinars to hold team meetings. Teams that take time to connect and brainstorm new ideas will be more productive in the long run.



REVIEWING YOUR FLEXIBLE WORK ARRANGEMENT PROGRAMS

It is a best practice to review your existing programs every few years to ensure alignment between employee, organizational and customer needs. Below are some questions to consider when reviewing your program.

- Are there state or federal law changes that impact our program?
- How well are current flexible work arrangements working?
- What demand are we seeing for flexible work arrangements in applicants and current employees?
- What changes will our organizational structure support?
- Are managers aware of their role in this program and how to best manage individuals with flexible work arrangements?
- Do teams utilize tools such as instant messaging, intranet, conference calls and online meeting software to improve communication?
- Are guidelines established to help employees understand the requirements to be eligible for a flexible work arrangement?

SUMMARY

While there are business barriers that require some positions to work standard office hours, there are other positions that allow more flexibility. The number of organizations that allow ad-hoc telecommuting to cover incidental situations such as a repair person stopping by the house continues to increase. While all generations have individuals who prefer to use flexible work arrangements for a variety of reasons, more Millennial and Generation Z employees expect flexibility. Organizations that are able to provide flexibility while meeting customer needs will find it easier to attract and retain individuals from across all generations.

SOURCES

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