



**Going Forward** We appreciate your response to last week's survey. To sum it up colloquially, the answer was: "The length is fine (but a little shorter can be better), twice a month trumps weekly - and we want to hear about all of the topics outlined."

So for the rest of the year we will put out an issue on the first and third weeks of the month, aiming for the brevity that should mark a Bulletin. That will also allow us to do the occasional rare message of a little different sort - as we do today.

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**Managing Through Cancer** Many of you responded strongly to the Bulletin we produced that described the *Managing Through Cancer Pioneer* initiative. You asked to receive regular updates. For at least the next several months, we will email out in the fourth week of the month a Pioneer Journal. That brief piece will chronicle:

- the work of companies integrating the Pioneer website into their operations
- the experience of employees with cancer and their managers using the tools to successfully integrate cancer and careers;
- the approaches champions have used to win over their companies to support MTC

To help avoid confusion with the *FlexBulletin*, these updates will come with the sender address of "ManageThruCancer."

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**Op-ed: "The Job Multiplier"** We did not plan to create a Bulletin this week beyond the announcements above. But as an American, a Washingtonian and a champion of flexibility, I could not resist the opportunity to write the following op-ed for submission to the Washington Post. I also have colleagues who turn out to be the economic advisors to the Vice President-elect and the President-elect, and they are now designing the stimulus plan. So this has gone to them as well. I welcome your comments on the piece which might be shared with our Bulletin readers in the next issue.

### The Jobs Multiplier

*"I don't believe it's too late to change course, but it will be if we don't take dramatic action as soon as possible...We won't get out of it by simply waiting for a better day to come or relying on the worn-out dogmas of the past."* - President-elect Obama

In his major speech on the economy, the President-elect announced a plan that would **"save or create"** (my emphasis) at least 3 million jobs over the next few years." That number creeps toward 4 million jobs as losses mount weekly.

This massive challenge is made harder if the nation's approach is built on "worn-out dogmas of the past." It is time for government, union and business leaders to take dramatic action on the jobs front and break with a rigid and unimaginative full-time approach to how we design work. Given major job loss, home

foreclosures and weakened consumers, the time has come for *shared sacrifice*. A flexible approach to this crisis can be a job multiplier, helping to turn three million employed into four. How?

For decades companies, unions and employees have experimented with flexible ways of working to avoid layoffs and spread employment. Work sharing is one way to save jobs by slightly reducing the hours of all employees' rather than terminating some. Used broadly this year, it could prevent hundreds of thousands of layoffs. The creative use of small percentage reduced schedules (80-95% schedules) can both help reduce layoffs and multiply billions of dollars of job creation funds.

*But can work sharing work?* A year ago, a California firm faced the oncoming recession and weighed savings from layoffs against loss of valued employees. They let employees choose: a layoff or the 55 employees could share the sacrifice by cutting hours. The employees took 20% reductions, hoping to return to full-time as the economy recovers. Large companies use this tool too. California and other states have programs that cushion the blow by paying unemployment for missed days, turning an 80% salary into 90% of normal income.

*And how can reduced schedules contribute?* Essentially, reduced schedules offer increased employment. Many millions of Americans - young workers, parents and students in transition --seek and could be highly productive in quality reduced schedule jobs. The funds for 500,000 full-time jobs could generate as many as 625,000 4-day schedule positions or 830,000 3-day positions - be they green, white or blue collar. Any stimulus should strongly encourage such jobs.

*What's the potential for phased and partial retirement?* Growing numbers of older workers want to retire later so they can supplement modest pensions. Many want phased and partial retirement - a reduction from full-time to reduced schedules either at once or gradually. The recent collapse of 401Ks has only intensified the need - and the opportunity - to energetically develop this tool to save and create jobs.

If these proven tools can prevent job loss and multiply job creation, why are they missing from the pronouncements and planning of government, unions, business and economists? Here are four obstacles and brief suggestions about how they can be overcome.

**Habit** This core challenge is a massive chorus of "we can't do it this way because we've never done it this way." All change collides with "*worn-out dogmas of the past*." As the consensus grows that this is an unprecedented crisis, the solution better break the mold. Obama and his bully pulpit are essential to ending dogma. A companion chorus of flexible leaders and successes is vital to shift thinking.

**Headcount** Companies count employees as full heads or none. Few use the fractional headcount that facilitates reduced schedules. They could, but simply don't. This is highly automated, deeply-held and pure business habit that strong leadership can break. FTEs are a proven alternative in large organizations.

**Healthcare** Since healthcare is usually attached to headcount, fractional healthcare can be a challenge. For this crisis, most of the options we describe continue full health insurance for 80%+ employees. The essential shared sacrifice is that employees absorb an income reduction and employers continue full health coverage.

**Hesitation** Facing greater flexibility, each constituency has concerns. Unions fear full-time jobs and benefits being undermined. Companies are used to laying off older workers during recessions, not embracing them. Employees who survive layoffs are used to remaining whole. These attitudes need to be addressed and changed - and quickly. Leadership and legislation can do this.

As President-elect Obama said, "*It's time to trade old habits for a new spirit of responsibility*." It is also time to raise up the banner of innovation and shared sacrifice. He is in a unique position to use his powers of communication, persuasion and stimulus design to open up this process to a more flexible way of working. It is time to address this 21st century challenge with 21st century tools.

Best regards,  
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