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Guides to a changing workplace

FlexBulletin #29: The Flex Decade, 2010-2019

[The first Bulletin of the year - [FlexBulletin #28: Challenges 2009, Options 2010](#) - reviewed some of the hopes and disappointments that marked the limited progress of flexibility in The Great Recession of 2009. Having sketched some of the Challenges in that issue, I thought I would next dash off the follow-up - a "What should we do about it?" piece a week or two later. Instead, I wrote, re-thought, re-wrote and reconsidered that piece again and again. As Washington's snowstorms disrupted normal life, I alternately dug deeper and deeper into the many snow banks engulfing the house and into the long history of flex approaches. The result: a look at what is needed for success in the next decade, not a one-year fix.]

2009 The January *Bulletin* listed four flexibility prospects for 2009 which under-performed:

- > Few senior managements **chose the long-term value of work sharing** over layoffs
- > Only a small minority of companies **intensified flex** as a strategy for engaging survivors
- > **Remote work grew**, but its productivity potential gave way to the priority of reduced costs
- > **Hardly any true Phased Retirement** programs emerged, despite pre-retiree interest

Flex positioning

One can interpret these results in many ways. We believe that there is a straightforward explanation: while aspects of flexibility have become integrated into companies as programs, these programmatic platforms generally sit outside management priority - they are neither understood nor embraced by the levels of line management necessary to make them stick and grow. In the face of hard times, a broad range of champions do not step forward and the negatives of flexibility rise up, such as:

- > Flexibility is above all a benefit, surely a cost to be cut as needed
- > Flexibility shines for recruitment and retention, but neither is key during massive layoffs
- > Initiatives like work sharing and phased retirement demand scarce senior manager support
- > The productivity gains valued during recessions are not perceived in these arrangements

A 40-year saga It should not be surprising that senior managements and line managers have not fully embraced flexible ways of working. After all, flexibility has had a long and somewhat marginalized history among US employers. A quick overview would be:

1972: Hewlett-Packard launches 1st US flextime program - modifying start/quit time 1 hour

1985: First Working Mother "Best Companies" list; struggle to find 25 firms with FWAs

1998: Surveys show shift from one-off FWAs to HR-driven flexibility programs

2009: Flex usage and access grow slowly, but remain "benefits"; recession stalls steady growth

Rethinking 2009 While many firms and numerous advocates of the flexible workplace use the terms "business-beneficial" flexibility to describe their approach, it is the rare company in which the business (i.e., the business leadership, line managers and large numbers of employees) perceive powerful and lasting business gains emerging from flexibility in general or any arrangement in particular. If this positive view prevailed, leaders in 2009 might have had this view:

- > **Work sharing** - This would be a wise leader's choice to maintain engagement, avoid the costly layoff/rehire cycle and stake out a strong position as an employer of choice
- > **Flex as engagement** - Regular surveys show employee engagement in a long, steady slide. Far-thinking leaders would choose this cost-effective response to a costly problem
- > **Remote work** - Cost-conscious managements would seek the savings from this option, but resource it to maximize its productivity and innovative power across the organization
- > **Phased retirement** - Major forces drive companies to extend employee tenure and capture pre-retiree knowledge and cause employees to extend service; few leaders take the essential steps in enabling and driving these complex initiatives

Toward a decade of leadership If business-beneficial flexibility is a real and valuable goal, then how do we transform a long, slow, four-decade crawl toward flexibility programs into a successful campaign to make flexibility a powerful source of productivity, innovation and competitive advantage? The simple fact is that few leaders will ever fully grasp and deeply embrace flexibility if its champions in companies do not meet and master the challenge of winning over skeptics. Programs that only tangentially touch leaders and managers, and that assume that general education will allow flex-by-osmosis, are likely to stretch the four decades of slow progress into five. Leader-inclusive approaches that can build a real Flex Decade include:

- > **Promote strategy** Take the lead in causing your company and its leaders to develop a strategy in this domain as they do in others: ID goals, gains, costs, staffing
- > **Be comprehensive** Launch or relaunch aggressive flexibility menus including compressed schedules, phased retirement, work sharing - and insist on broad engagement
- > **C-suite reporting** Establish annual reporting that tracks the increasing benefits of flex initiatives and deepens commitment and new undertakings; seek leader communications
- > **Business continuity** Flexibility is a crucial aspect of short-term emergency planning; 2009 should add recession-survival planning to leaders' continuity agenda
- > **Staff and budget commitments** Ambivalence re: flexibility is often expressed by the orphan-like nature of its staffing. Enduring domains require knowledgeable, committed long-term staff and budget

These notions are of course just a starting point. No doubt each of you is launched on some version of this trajectory, and has ideas about your next steps. In the months ahead we will flesh out ideas on how to build leader engagement in flexibility as well as address some of the practical steps in immediate flexibility that are emerging this year. Among the challenges we will address are the growing interest in and successful development of phased and partial retirement programs among our larger clients..

Meanwhile, we wish you an early spring!

Best regards,
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