

**FlexBulletin #75: Flex – Career Premium or Penalties?**

February 5, 2013

**A Rare Nod to Research** There seems to be an almost endless river of flex research streaming through the internet and its many tributaries. I read much of it: where flex stands in a list of perks, how it ranks against pay as a motivator, whether male parents or remote workers are the growth leader. I learn things, as I'm sure you do, but rarely does a piece intrigue me enough to discuss it in a **Bulletin**.

*Flexible Work Practices: A Source of Career Premiums or Penalties?* is different. It addresses an important question for the champions of flexibility. Many of us have done battle for more than a decade against offering flexibility on the basis of personal reason rather than business impact. Judging from many company statements, that issue is settled: the reason shouldn't matter. But a fascinating **set of studies**

[[https://netfiles.umn.edu/users/lesli049/Leslie%20papers/Leslie%20et%20al\\_FWPs\\_AMJ\\_2012.pdf](https://netfiles.umn.edu/users/lesli049/Leslie%20papers/Leslie%20et%20al_FWPs_AMJ_2012.pdf)]

by Lisa Leslie and colleagues at the University of Minnesota's Carlson School of Management have taken a deeper look at this question, with disturbing results.

I will explore their findings below. But they argue for a renewed emphasis on anchoring flexibility firmly in their business benefit as much as, or more than, their personal value. While policies, principles, programs and proclamations may consign the reason for flex to the shadows, people may have reached a different verdict. Habits are a very hard thing to break.

**IS THERE A PRICE PAID FOR FLEXIBILITY?**

As I said above, the research in the December issue of the *Academy of Management Journal* by Lisa Leslie et al. should cause us to take a hard look at the systems we are promoting and using to create positive flexibility in the workplace. This is academic research – as the abstract below demonstrates – but it has real world implications for tens of thousands of part-time and offsite employees who expect fair play. According to the abstract:

*The present research builds theory regarding how use of flexible work practices (FWPs) affects employees' career success. We integrate theory on signaling and attributions and propose that managers interpret employees' use of FWPs as a signal of high or low organizational commitment, depending on whether managers make productivity or personal life attributions, respectively, for employees' FWP use. Managers' perceptions of employees' commitment, in turn, shape employees' career success. Field- and laboratory-based studies provide strong support for the hypothesis that FWP use results in career premiums when managers make productivity attributions and some support for the hypothesis that FWP use results in career penalties when managers make personal life attributions.*

A conversational translation would be:

- The research looks at how use of flexible schedules affects career success
- Managers interpret use as a signal of high or low commitment
- Commitment is assessed via the purpose of flex: productivity or personal life
- Such manager assessments shape employees' career success
- Studies connect career premiums to productivity and penalties to personal life requests

The 40-page study could be lauded and embraced, or challenged at some points. Regardless, it raises two issues that have been with flexibility for decades.

- Is flexibility *perceived fundamentally by managers* as a family-friendly or personal benefit or as a practice that makes their people and teams more productive?
- Will those who use flexible schedules in good faith and with strong commitment pay a career-long price for believing what they are told?

**SEEKING PREMIUMS AND AVOIDING PENALTIES**

If there is a serious problem here, the solution is likely a classic: "Go back to basics." While there has been a great deal of talk about flexibility as a benefit to the business, much of the focus in companies has been on business benefits at the enterprise level: reducing space costs through telework, business continuity, employee retention, gross productivity gains, etc. The experience of flexibility as productivity driver at the individual level is less common. And it is those individual managers who assess commitment and recommend rewards and advancement.

I am reminded of our efforts in the late 1990s to shift employee proposals and manager decision-making from reason-based to business-based. With my then-client and later colleague Kimetha Firpo, then of Harris Bank, we devised the employee proposal form. In subsequent iterations it has become the most widely used tool for making flexibility proposals. It never asks the reason and seeks business gains. We thought that, properly used, business impact would trump reason once and for all.

The emphasis has to be on **properly used**. In my two decades of reviewing tens of thousands of proposals and hundreds of company efforts, most people miss the mark:

- The answers to one or more questions re: productivity gains are vague, limited or nonexistent
- Any productivity claims typically lack specificity or easy credibility
- Managers routinely, and almost universally, accept these omissions and rarely negotiate
- Companies seem to accept these weak outcomes
- By default, personal reasons become the basis for requests and approval

### **TOWARD CAREER FAIRNESS**

One academic study, no matter how accurate, doesn't prove that thousands of flex users have made an unfortunate trade-off for their flexibility. But there is no reason to take chances. If there were proof of such disparate impact on the careers of employees with family/personal needs, great change might be called for. Why wait? In light of this long-time concern, some common sense assumptions and this recent study, some preventive steps might be in order. They would include:

- A renewed focus on active, business-based schedule negotiations by managers and employees
- Systematic training of managers and employees in how to develop compelling proposals
- More robust monitoring of the outcomes of these negotiations
- Development of online tools to support greater collaboration and achieve superior outcomes
- Quantify desirable goals, assess progress periodically and record productivity gains

Then maybe the productivity impact of flexible schedules would make it into the review documents and discussions that affect advancement and rewards.

***We welcome your comments on this Bulletin. When you write, please email me at: paulrupertdc@cs.com***

### **Online Toolkit**

The right **Online Tools** can be a significant part of any initiative to make flexibility a business-enhancing force. We have been providing such tools for more than a decade and have fully upgraded our toolkit for 2013. Our **FlexWise Tools** [link] site now hosts two distinct sets of tools:

- ✓ Superior versions of our proven Flexible Work Arrangements offerings
- ✓ A comprehensive set of our new Co Scheduling, Monitoring and Coaching tools

***Take a look and contact me to discuss how they might energize your flexibility efforts.***

Best regards,  
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