



About Flexible Work Arrangements

Report of Findings

This survey collected information about the philosophy behind companies' flexible work arrangements programs, communication efforts, results, and outcome achievements. It also delved into designs in place for the following types of flexible work arrangements:

- Compressed Workweeks (including Summer Hours)
- Flextime
- Job Sharing
- Part-time Employment
- Phased Retirement
- Phased Return from Leave
- Telecommuting/Telework
- Virtual Work

For clarity, here are the definitions used in the survey.

Compressed Workweeks, Summer Hours	Working a full-time schedule in fewer than 5 days in a week or 10 days over 2 weeks. Common variations include 4/10s, 9/80s, and 4-1/2 day weeks. (Summer hours are typically a compressed workweek offered only between Memorial Day and Labor Day.)
Flextime	Varying the start and end time of a standard day around core hours either on a regular basis or adjusted daily. This may include mid-day flex where time off during the day is made up before or after regular working hours.
Job Sharing	Two people sharing the duties and hours of a full-time position.
Part-time Employment	Working less than a full-time schedule with a corresponding reduction in pay and benefits.
Phased Retirement	Working a part-time schedule or stepping down to less responsibility in preparation for retirement.
Phased Return from Leave	Working a part-time schedule with a gradual increase to a full-time schedule when returning from leave of absence (maternity/paternity leave, short-term disability, long-term disability).
Telecommuting/Telework	Working from home or another alternate location (including a satellite office) on a regularly scheduled basis.
Virtual Work	Working in an entirely goal-driven environment with no defined work schedule or workplace.

The 90 companies that responded to this survey did so because they have flexible work arrangements in place currently, so are experienced with these programs. Survey results, as well as Hewitt commentary, are reported on the following pages.

Main Findings and Observations

Here are the main themes from this survey of 90 companies that currently use flexible work arrangements.

It's about managing talent and driving results!

Survey companies clearly agree on the primary reasons for offering flexible work arrangements—to increase retention (77%), to enhance engagement (58%), and to assist with recruitment (53%). And they agree that flexible work arrangements do drive these results: (1) two-thirds said that employee engagement increased as a result of offering these arrangements; (2) improved retention (64%) and enhanced recruiting (49%) were also cited as key results; and (3) offering flexible work arrangements resulted in increased productivity, according to nearly a third of participants.

While these programs are prevalent, "where" and "to whom" vary widely.

Only 27% of survey participants have company-wide, formal written policies covering flexible work arrangements. Another 39% have policies/guidelines that vary by location, business unit, department, or job class. But nearly a third of employers offer flexibility only on an ad hoc basis (at manager discretion).

Within companies, policies vary by type of arrangement. For **flextime**, nearly a third of employers offer it company-wide, while another third offer flextime only on an ad hoc basis. **Part-time work** is most likely to be offered on a company-wide basis (36% of employers). **Compressed work weeks** are most typically offered at specific locations (26%), business units (18%), or departments/functions (21%). For **job sharing and telecommuting**, employees are most likely to be offered such arrangements on an ad hoc basis (46% for job sharing and 39% for telecommuting).

Employee group eligibility requirements for flexible work arrangements can vary significantly. Employers most commonly offer some programs to all employees (51% for compressed work weeks, 65% for flextime, 36% for job sharing, and 39% for part-time arrangements). Telecommuting stands out as being more focused on exempt employees (40%).

Flexibility is a two-way street for both employees and employers.

In providing flexible work arrangements, the survey respondents help their employees with their work-life juggle. But it's a two-way street. The most common employer requirement across all types of arrangements is that the employee must be flexible as well, in terms of swapping days/hours, coverage of work, and availability. This is especially important for flextime (94% of respondents) and job sharing (92%).

Relationships with managers are key.

Managers are the single greatest determinant of whether or not flexible work arrangements will be offered. Two-thirds of employers have no formal application process, and nearly a third of employers indicate that flexible work arrangements are offered only at manager discretion. Further, on average, 90% of employers indicate managers are responsible for reviewing and approving formal requests for all flexible work arrangements.

Communication is critical...and also neglected.

Only 31% of survey companies said that a majority of their employees can explain their flexible work arrangement program, and only 39% feel that managers can. Further, only 42% of respondents were moderately to totally confident in their managers' ability to manage employees who work on flexible work arrangements. Yet, nearly two-thirds of employers (61%) do not provide training to managers/supervisors on how to manage employees on these arrangements.

Approximately a quarter of the survey companies (26%) do not formally communicate to employees about their flexible work arrangement program; another quarter (26%) rely on ad hoc manager communications to educate employees. Where there has been little or no communication about flexible work arrangements to employees, the main reason cited is so programs can be offered at manager discretion (69%). However, 31% indicate that one of the main reasons for not communicating is a desire to contain usage of the program.

Do flexible work arrangements drive business results? Who knows?

70% of survey companies said that workplace flexibility program results are not measured in any way. Among those who do program evaluation, the key measures used are employee engagement (73%), retention (69%), and productivity (50%). Key obstacles to implementing and/or realizing benefits were attributed to workload constraints (61%), inconsistent application of programs across the company (51%), and lack of support from senior leaders and middle management (approximately a third).

Nearly half (45%) of employers indicated the benefits of these programs outweigh the costs, while 52% felt the results from their programs were neutral.

Executives are least likely to see flexible work arrangements as a critical business tool.

Three-fourths of survey companies reported that *HR* views the flexible work arrangement program as a critical business tool. In contrast, only 46% think *managers* perceive flexible work arrangements as a critical business tool, and only 37% think *executives* see a strong tie to business results. Further, only 40% of participants indicated they felt their company culture was supportive of flexible work arrangements.

Results

A total of 90 companies participated in this survey. For each survey question, the results displayed below show how many of the 90 answered each question ($n=x$). Note that values in tables and charts are rounded to the nearest whole number, so percentage totals may not add to exactly 100%.

Philosophy Behind Providing Flexible Work Arrangements

1. Among all of the reasons for providing flexible work arrangement programs, which are the three most important to the company?

($n=90$; multiple responses)

77%	Increase employee retention
58%	Enhance employee engagement
53%	Assist with recruitment
28%	Competitors have these programs
28%	Requested by employees
24%	Drive business results
18%	Improve scheduling/covering
9%	Ensure consistency in workplace flexibility arrangements across the organization
2%	CEO or executive-driven
2%	Other

Hewitt Comments: This question asked for the top three reasons for providing flexible work arrangements to employees, and the data shown above are the compilation of all three. These results show that employers are using these programs primarily to find and keep employees (recruitment, retention, and engagement). Interestingly, these same reasons for offering flexible work arrangements are also the ones most frequently cited as the most positive results achieved from these programs (see Question 94).

2. From what you hear from employees, what are the key reasons behind their request for flexible work arrangements?

($n=90$; multiple responses)

90%	Work-life balance
79%	Child care (e.g., working parent)
73%	Commute time
53%	More control over workday
34%	Enhanced productivity
29%	Commuting expense
22%	Elder care
22%	Length of workdays (work long hours)
11%	Student schedules (employees attending school after work or weekends)
2%	Uneven/hard-to-predict work hours
0%	Other

3. Does the company have formal (written or documented) policies in place for workplace flexibility?

($n=89$)

27%	Yes—company-wide consistency
39%	Yes—but policy/guidelines vary by location, business unit, department, or job class
31%	No—flexibility is offered just on an ad hoc basis (at manager discretion)
2%	Other

- 3a. Does your company have any plans to develop formal policies or guidelines?

($n=26$)

46%	Yes
54%	No

Hewitt Comments: We were pleased to see that a majority of survey companies have written policies in place for workplace flexibility programs. Where a formal policy is not in place, we strongly suggest that one be established (documented by a policy or at least written guidelines). In write-in comments, survey companies noted that having a policy in place means that both employees and the company know what is expected.

Which Arrangements Are in Use?

4. What form(s) of flexible work arrangements exist (or have existed in the past) across your company?
(n=90)

Type of Program	Currently Offered to All Employees	Currently Offered in Some Parts of the Organization	Currently Offered Only at Manager Discretion	Being Considered/Planned	Offered but Dropped	Never Considered
Compressed Workweeks	14%	36%	23%	3%	0%	23%
Summer Hours	4%	23%	11%	8%	8%	46%
Flextime	24%	36%	30%	3%	0%	7%
Job Sharing	8%	18%	23%	9%	1%	41%
Part-time Employment	29%	39%	27%	1%	0%	4%
Phased Retirement	4%	6%	13%	21%	0%	56%
Phased Return from Leave	22%	16%	21%	6%	0%	36%
Telecommuting/Telework	13%	28%	36%	10%	0%	13%
Virtual Work	6%	11%	12%	9%	0%	62%

Hewitt Comments: Responses to Question 4 show that among the various types of flexible work arrangements, the least explored are Virtual Work and Phased Retirement. The most prevalent programs, based on the overall percent of survey companies that are either using or planning on using each form of flexible work arrangement, are Part-time Employment, Flextime, and Telecommuting/Telework (all at about 90% or over). The low prevalence of Virtual Work arrangements is due to the fact that these are still an emerging trend—one that has not yet reached significant mass (although the publicity given a few widely-reported programs would lead to the opposite conclusion).

Type of Program	In Use or Planned
Part-time Employment	96%
Flextime	93%
Telecommuting/Telework	87%
Compressed Workweeks	76%
Phased Return from Leave	65%
Job Sharing	58%
Summer Hours	46%
Phased Retirement	44%
Virtual Work	38%

Input from the companies that answered a question about reasons for dropping a program fell into two categories: (1) the program simply evolved or (2) was dropped due to lack of use.

Another notable finding is that so many employers have not yet begun to develop programs to encourage retention of older workers. As the inexorable tide of Baby Boomers begins to leave the workplace for retirement, programs to support retaining a needed talent pool will be critical. Yet this survey shows that even among those that are already using flexible work arrangements (as is the survey population), phased retirement programs are relatively rare.

5. Organizationally, where within the company is the responsibility for (a) designing; and (b) monitoring flexible work arrangement programs?
(n=89; multiple responses)

	(a) Design	(b) Monitoring
Human Resources	75%	59%
Benefits	35%	17%
Compensation	13%	8%
Diversity	8%	3%
Organizational Design	1%	1%
Work-Life	13%	8%
Finance	1%	2%
Individual business unit, location, or department	24%	53%
Other	4%	2%

Within HR

Compressed Workweeks (In Use at 76% of Survey Companies)

Hewitt Comments: In the Compressed Workweek Program section that follows, we saw several findings of special interest.

1. Compressed workweek programs are largely informal. Close to half have no formal requirements that must be met before an employee can participate (46%); almost three-quarters of the survey companies have an informal application process (72%); and almost one-third do not impose any special requirements for how an employee covers work while on a compressed workweek basis (29%). Just over two-thirds do not require a trial period before the arrangement is put into place (68%).

2. Comparing the program's success by comparing the company's and employees' needs, we found that Compressed Workweeks are somewhat more successful with employees than with employers. However, both ratings are high (programs are rated as "successful" by 62% of companies; 79% of those companies say their programs are successful in meeting employees' needs.)

Our experience shows that compressed workweeks is a type of flexible work arrangement that many employers have tried and dropped. The reasons relate to concerns that employees will work less (since these arrangements are defined by hours), or that the company will have more overtime pay and exposure. This form of flexible work arrangement is typically not well understood.

6. Where in the company are Compressed Workweeks offered?
 (n=68; multiple responses except when "Company-wide only" and "Ad hoc basis only")

26%	Specific locations/offices
24%	On an ad hoc basis only (at manager discretion)
22%	Company-wide
21%	Specific department/functions
18%	Specific business units
6%	Corporate/headquarters location only
6%	Specific employee groups
3%	Other

7. Which employees are eligible for the program (regardless of whether they participate)?
 (n=67; multiple responses except when "All employees")

51%	All employees (no exclusions)
12%	Exempts only
10%	All but managers and executives
6%	Nonexempts only
27%	Other ("varies by location/business unit," "determined by manager or by job")

8. Percent of the total employee population that is eligible for Compressed Workweeks.
 (Eligibles divided by Total Number of Employees)
 (n=56)

Median	Mean
45%	49%

8a. Percent of those eligible that actually participate in Compressed Workweeks when offered.
 (Participants divided by Eligibles)
 (n=50)

Median	Mean
10%	31%

9. What are the eligibility requirements for participating in the Compressed Workweek program?
(n=67; multiple responses except when "No formal requirements")

46%	No formal requirements
28%	Employee must maintain a min. level of performance (e.g., rated "Good Performer" or better)
21%	Employees in specific jobs/roles only
6%	Employee must have a minimum amount of service with the organization
24%	Other (e.g., "With manager approval," "Varies by location/business unit," "Exempts only")

10. Is the Compressed Workweek program:
(n=67)

79%	Year-round
6%	Summer hours only
15%	Other (e.g., "Depends on business unit need", "Depends on location")

11. What types of schedule(s) does the Compressed Workweek program allow?
(n=66; multiple responses)

58%	4/10 (40 hours worked in 4 days with one day off every week)
53%	9/80 (80 hours worked in 9 days with one day off every two weeks)
35%	4 1/2 day weeks (40 hours worked in 4 1/2 days with 1/2 day off every week)
21%	Other (e.g., "At manager discretion," "Based on situation/business unit need")

12. How is overtime handled for nonexempt employees on a Compressed Workweek?
(n=61; multiple responses)

64%	Same as for those not on a Compressed Workweek
20%	Definition of the workweek is adjusted (e.g., Friday afternoon to Friday afternoon)
8%	Nonexempts are not allowed on Compressed Workweeks
11%	Other

13. Are there any limits on the amount of time an employee can work on a Compressed Workweek?
(n=68)

21%	Yes, arrangement must be re-evaluated (typically in 6 months)
4%	Yes, only allowed for a set time period
75%	No

14. Are there any special requirements for employees on a Compressed Workweek arrangement?
(n=68)

29%	No such requirements
71%	Yes, requirements exist

If Requirements Exist (n=48; multiple responses)

71%	Swapping days off if business needs require working on an "off" day
67%	Working an occasional added day if business needs require work on an "off" day
58%	Ensuring work is covered on "off" hours
29%	Periodic check-in with manager
8%	Check in on "off" day (e.g., by phone, voicemail, email)
15%	Other (e.g., "Varies by manager")

15. Is there a formal application process an employee must go through to work on a Compressed Workweek arrangement?
(n=68)

28%	Yes
72%	No, at manager discretion

15a. Where there is a formal application process, does it include an agreement form that the employee must fill out regarding the specifics of the arrangement?
(n=19)

89%	Yes
11%	No

15b. Is the employee required to provide a written business case?
(n=19)

63%	Yes
37%	No

15c. Who makes the decision to allow or deny a Compressed Workweek arrangement?
(n=19; multiple responses)

95%	Manager
32%	Human Resources
26%	Department or Business Group leader
5%	Other

15d. Is an appeal process available if the employee's application is denied?
(n=17)

41%	Yes
59%	No

16. What are HR's and managers' respective roles in administration of the program?
(n=63; multiple responses)

	HR's Role	Managers' Role
Review and approve/deny requests for Compressed Workweek arrangements	24%	87%
Administer appeals process	40%	14%
Recordkeeping (tracking the arrangements)	28%	57%
Measure results	16%	67%
Periodic evaluation of arrangements	26%	68%
Support managers (advice and counsel)	91%	--
Other	7%	6%

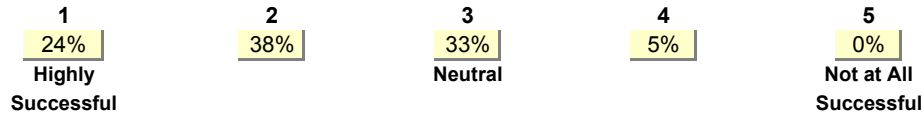
17. Is there a trial period for Compressed Workweek arrangements?
(n=68)

13%	Yes, 90 days
1%	Yes, 6 months
18%	Yes, other (e.g., "At manager's discretion," "12 months")
68%	No

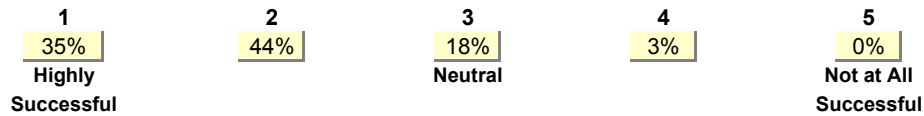
18. Is there any difference in how performance is assessed for those on Compressed Workweek arrangements?
 (n=68; multiple responses except when "No, same process as employees not ...")

0%	Yes, performance is assessed more frequently
0%	Yes, specific goals and/or competencies related to the arrangements are evaluated
1%	Yes, other
99%	No, same process as employees not on a Compressed Workweek arrangement

19. From the company's viewpoint, what is the overall success* of the Compressed Workweek program?
 (n=66) (*Defined as meeting business goals, being well received, and worthy of being continued.)



20. From the standpoint of meeting employee needs, how successful is the Compressed Workweek program?
 (n=66)



Flextime (In Use at 93% of Survey Companies)

Hewitt Comments: In the Flextime Program section that follows, we saw several findings of special interest.

1. Among all forms of flexible work arrangements, Flextime Program prevalence is especially high (93% of the survey companies reported using these programs), likely because this type of program is easy to offer, creates little administrative burden, and does not cost anything.
2. But while Flextime is popular among companies and the fact that two-thirds of the companies indicated that "all employees" are eligible, the proportion of eligible employees that *participate* is relatively low, at just 17%.
3. Flextime programs are relatively informal. Just over 60% of the companies with Flextime do not have any type of formal requirement for employee participation (in fact, 81% allow just manager discretion for an employee to go on a flextime arrangement and about that same proportion do not require a trial period). In contrast, about three-quarters of the companies do have special requirements for employees on Flextime arrangements (e.g., being flexible if business needs require occasional work on another schedule or ensuring that work is covered on "off" hours).
4. Of all forms of flexible work arrangement surveyed, Flextime has the highest "success" rating for both the company and employees—68% of companies say Flextime is successful from the company's standpoint and 85% say such programs are successful in meeting employee needs.

21. Where in the company is Flextime offered?
 (n=83; multiple responses except when "Company-wide" or "On an ad hoc basis only")

31%	On an ad hoc basis only (at manager discretion)
29%	Company-wide
20%	Specific locations/offices only
14%	Corporate/headquarters location only
8%	Specific business units only
7%	Specific department/functions only
6%	Specific employee groups only
4%	Other

22. Which employees are eligible for the program (regardless of whether they participate)?
(n=83; multiple responses except when "All employees")

65%	All employees (no exclusions)
17%	Exempts only
7%	Depends on business need
5%	Nonexempts only
4%	All but managers and executives
7%	Other (e.g., "At manager discretion")

23. What percent of the total country's employee population is eligible for Flextime?
(Eligibles divided by Total Number of Employees)
(n=67)

Median	Mean
50%	54%

23a. What percent of those eligible actually participate in Flextime?
(Participants divided by Eligibles)
(n=59)

Median	Mean
17%	31%

24. What are the eligibility requirements for participating in the Flextime program?
(n=83; multiple responses except when "No formal requirements")

61%	No formal requirements
19%	Employee must maintain a min. level of performance (e.g., rated "Good Performer" or better)
17%	Employees in specific jobs/roles only
2%	Employee must have a minimum amount of service with the organization
12%	Other (e.g., "Manager approval," "Meet business needs")

25. Are core hours (hours when all employees must be working) specified for Flextime?
(n=75)

39%	Yes
61%	No

26. What types of schedule(s) does the Flextime program allow?
(n=81; multiple responses)

93%	Employees can arrive early and leave early (e.g., 7:00 a.m.–3:00 p.m.)
86%	Employees can arrive late and leave late (e.g., 10:00 a.m.–6:00 p.m.)
30%	Employees can "flex" in the middle of the day
10%	Other (e.g., "Depends on business unit," "Dependent on manager approval")

27. Can employees vary their Flextime schedules (i.e., from day to day, week to week, month to month):
(n=81)

53%	Yes
47%	No

27a. How often can employees' schedules change?
(n=43)

37%	Daily
5%	Weekly
7%	Monthly
14%	At manager's discretion
37%	Other (e.g., based on needs)

28. Are there any limits on the duration of time an employee can work on a Flextime arrangement?
(n=83)

13%	Yes, arrangement must be re-evaluated
1%	Yes, only allowed for a set time period
86%	No

28a. Length of time before re-evaluation:
(n=10)

Median	Mean
3 mos.	4 mos.

29. Are there any special requirements for employees on a Flextime arrangement?
(n=84)

74%	Yes
26%	No

29a. If there are special requirements, what are they?
(n=62; multiple responses)

94%	Being flexible if business needs require occasional work on another schedule
55%	Ensuring work is covered on "off" hours
39%	Periodic check-in with manager
6%	Other

30. Is there a formal application process an employee must go through to work on a Flextime arrangement?
(n=83)

19%	Yes
81%	No, at manager discretion

30a. Does the process include an agreement form that the employee must fill out regarding the specifics of the arrangement?
(n=16)

87%	Yes
13%	No

30b. Is the employee required to provide a written business case?
(n=16)

62%	Yes
38%	No

30c. Who makes the decision to allow or deny a Flextime arrangement?
(n=16; multiple responses)

94%	Manager
31%	Department or Business Group leader
31%	Human Resources
0%	Other

30d. Is an appeal process available if the employee's application is denied?
(n=16)

44%	Yes
56%	No

31. What are HR's and managers' respective roles in administration of the program?
 (n=79; multiple responses)

	HR's Role	Managers' Role
Review and approve/deny requests for Flextime arrangements	13%	91%
Administer appeals process	38%	13%
Recordkeeping (tracking the arrangements)	13%	66%
Measure results	10%	62%
Periodic evaluation of arrangements	17%	73%
Support managers (advice and counsel)	97%	--
Other	0%	0%

32. Is there a trial period for the Flextime arrangements?
 (n=81)

9%	Yes, 90 days
1%	Yes, 6 months
12%	Yes, other (e.g., "Manager discretion," "Depends on business unit needs," "2-3 months")
78%	No

33. Is there any difference in how performance is assessed for those on Flextime arrangements?
 (n=84; multiple responses except when "No, same process...")

0%	Yes, performance is assessed more frequently
0%	Yes, specific goals and/or competencies related to the arrangements are evaluated
0%	Yes, other
100%	No, same process as employees not on a Flextime arrangement

34. From the company's viewpoint, what is the overall success* of the Flextime program?
 (n=81) (*Defined as meeting business goals, being well received, and worthy of being continued.)

1	2	3	4	5
35%	33%	31%	1%	0%
Highly Successful		Neutral		Not at All Successful

35. From the standpoint of meeting employee needs, how successful is the Flextime program?
 (n=81)

1	2	3	4	5
43%	42%	11%	4%	0%
Highly Successful		Neutral		Not at All Successful

Job Sharing (In Use at 58% of Survey Companies)

Hewitt Comments: In the Job Sharing Program section that follows, we saw several findings of special interest.

1. Of the array of flexible work arrangements programs surveyed, Job Sharing is the one that is most often offered on an ad hoc basis (by 46% of survey companies). But while Job Sharing programs are largely informal, these programs are the most likely (of all surveyed) to require an employee to go through a formal application process (at 46% of the companies) and almost all of those require a written agreement and/or businesses case (95% and 76% respectively).

2. Job Sharing arrangements are very rare—among companies with this form of flexible work arrangement, only 1% of their eligible employees actually have such an arrangement (although typically, 40% of the employee population is eligible to work in a Job Sharing arrangement). In our consulting, we find the key reason that employers shy away from Job Sharing arrangements is the difficulty of making them work. A good many things have to go just right—the right job, the right two people who work together seamlessly, plus the right manager.

3. Thus, it is not surprising that this form of flexible work arrangement received the lowest of ratings of success from the company's perspective and from the standpoint of meeting employee needs (with "successful" ratings at 37% and 58% respectively).

36. Where in the company is Job Sharing offered?

(n=46; multiple responses except when "Company-wide" or "On an ad hoc basis")

46%	On an ad hoc basis only (at manager discretion)
26%	Company-wide
13%	Specific locations/offices only
9%	Specific department/functions only
7%	Corporate/headquarters location only
2%	Specific business units only
2%	Specific employee groups only
0%	Other

37. Which employees are eligible for the program (regardless of whether they participate)?

(n=44; multiple responses except when "All employees")

36%	All employees (no exclusions)
16%	Exempts only
16%	All but managers and executives
11%	Nonexempts only
23%	Other (e.g., "Manager discretion," "Varies by location")

38. What percent of the total country's employee population is eligible for Job Sharing?

(Eligibles divided by Total Number of Employees)

(n=35)

Median	Mean
40%	47%

38a. What percent of those eligible actually participate in Job Sharing?

(Participants divided by Eligibles)

(n=24)

Median	Mean
1%	2%

39. What are the eligibility requirements for participating in the Job Sharing program?
(n=46; multiple responses except when "No formal requirements")

59%	No formal requirements
28%	Employee must maintain a minimum level of performance (e.g., be rated "Good Performer" or better)
15%	Employees in specific jobs/roles only
7%	Employee must have a minimum amount of service with the organization
13%	Other (e.g., "Manager discretion, "Varies by location")

40. How is a Job Sharing arrangement structured?
(n=42)

83%	Hours and job responsibilities are mutually determined by the Job Sharing partners
5%	Both employees work 20 hours per week and job responsibilities are evenly split
2%	Both employees work more than 20 hours per week with overlap and job responsibilities evenly split
10%	Other

41. How is compensation determined for a Job Sharing arrangement?
(n=42; multiple responses)

81%	Compensation for each partner individually determined based on skills, experience, job responsibilities, and hours
10%	Compensation for the job is split evenly between the two partners
12%	Other

42. Do Job Sharing employees receive benefits?
(n=45)

56%	Yes, but each partner must work a minimum number of hours per week to receive benefits
33%	Yes, both partners receive part-time benefits
2%	Yes, full-time benefits
9%	No, part-time employees do not receive benefits

42a. Minimum hours worked to be eligible for benefits.
(n=16)

6%	18 hours
6%	19 hours
69%	20 hours
6%	24 hours
13%	30 hours

43. Can employees vary their Job Sharing schedule once it is established?
(n=43)

16%	Yes, partners can easily vary their hours as long as the job is covered
60%	Yes, but partners must get manager approval first
12%	No
12%	Other

44. Are there any limits on the amount of time an employee can be on a Job Sharing arrangement?
(n=45)

16%	Yes, arrangement must be re-evaluated
2%	Yes, only allowed for a set time period
82%	No

45. Are there any special requirements for employees on a Job Sharing arrangement?
(n=44)

82%	Yes
18%	No

45a. If there are special requirements, what are they?
(n=36; multiple responses)

92%	Being flexible if business needs require employee to occasionally cover for partner on an "off" day
64%	Ensuring work is covered on "off" days
44%	Periodic check-in with manager
14%	Check-in on "off" days with job sharing partner (e.g., by phone, voicemail, email)
11%	Other (e.g., "Varies by manager, location")

46. Is there a formal application process an employee must go through to work on a Job Sharing arrangement?
(n=46)

46%	Yes
54%	No, at manager discretion

46a. Does the process include an agreement form that the employee must fill out regarding the specifics of the arrangement (e.g., identifying a schedule, coverage)?
(n=21)

95%	Yes
5%	No

46b. Is the employee required to provide a written business case?
(n=21)

76%	Yes
24%	No

46c. Who makes the decision to allow or deny a Job Sharing arrangement?
(n=21; multiple responses)

90%	Manager
38%	Human Resources
29%	Department or Business Group leader
5%	Other (varies by business)

46d. Is an appeal process available if the employee's application is denied?
(n=20)

55%	Yes
45%	No

47. What are HR's and managers' respective roles in administration of the program?
 (n=46; multiple responses)

	HR's Role	Managers' Role
Review and approve/deny requests for Job Sharing arrangements	27%	91%
Administer appeals process	42%	15%
Recordkeeping (tracking the arrangements)	29%	59%
Measure results	13%	70%
Periodic evaluation of arrangements	20%	87%
Support managers (advice and counsel)	93%	--
Other	2%	0%

48. Is there a trial period for a Job Sharing arrangement?
 (n=45)

16%	Yes, 90 days
7%	Yes, 6 months
9%	Yes, other
69%	No

49. Is there any difference in how performance is assessed for those on Job Sharing arrangements?
 (n=46)

0%	Yes, performance is assessed more frequently
0%	Yes, specific goals and/or competencies related to the arrangement are evaluated
0%	Yes, other
100%	No, same process as employees not on a Job Sharing arrangement

50. From the company's viewpoint, what is the overall success* of the Job Sharing program?
 (n=45) (*Defined as meeting business goals, being well received, and worthy of being continued.)

1	2	3	4	5
13%	24%	56%	4%	2%
Highly Successful		Neutral		Not at All Successful

51. From the standpoint of meeting employee needs, how successful is the Job Sharing program?
 (n=45)

1	2	3	4	5
22%	36%	38%	2%	2%
Highly Successful		Neutral		Not at All Successful

Part-time Employment (In Use at 96% of Survey Companies)

Hewitt Comments: In the Part-time Employment Program section that follows, we saw several findings of special interest.

1. Part-time flexible work arrangements are almost universal—96% of the survey companies offer such arrangements. However, the proportion of employees eligible for a part-time schedule at a typical company is relatively low, at just 30% (which is lower than the 40% reported for Job Sharing and 50% for Flextime). At a typical company, just 2% of eligible employees actually participate in such programs.
2. To qualify for part-time status, the median number of weekly work hours required of part-timers is 20 hours.
3. Most survey companies (83%) provide benefits to part-time employees, although most of those require employees to work a minimum number of hours to qualify for benefits (typically, 20 hours per week).
4. This form of flexible work arrangement is seen by just over 50% of the survey companies as "successful" from the company's standpoint, but a greater proportion (72%) regard their programs as being successful from the standpoint of meeting employees' needs.

52. Where in the company are Part-time Employment programs offered?
(n=85; multiple responses except when "Company-wide" or "On an ad hoc basis")

36%	Company-wide
27%	On an ad hoc basis only (at manager discretion)
18%	Specific department/functions only
13%	Specific locations/offices only
8%	Specific business units only
5%	Corporate/headquarters location only
5%	Specific employee groups only
5%	Other

53. Which employees are eligible for the program (regardless of whether they participate)?
(n=85; multiple responses except when "All employees")

39%	All employees (no exclusions)
15%	All but managers and executives
14%	Nonexempts only
12%	Exempts only
7%	Based on role
21%	Other (e.g., "Ad hoc basis," "Manager discretion," "Varies by location")

54. What percent of the total country's employee population is eligible for Part-time Employment?
(Eligibles divided by Total Number of Employees)
(n=64)

Median	Mean
30%	46%

54a. What percent of those eligible actually participate in Part-time Employment?
(Participants divided by Eligibles)
(n=63)

Median	Mean
2%	7%

55. What are the eligibility requirements for participating in the Part-time Employment program (if any)?
 (n=86; multiple responses except when "No formal requirements")

62%	No formal requirements
26%	Employees in specific jobs/roles only
12%	Employee must maintain a minimum level of performance (e.g., be rated "Good Performer" or better)
7%	Manager discretion
2%	Employee must have a minimum amount of service with the organization
3%	Other (e.g., "Varies by business unit or location")

56. Is there a minimum number of hours that an employee is required to work on a Part-time Employment arrangement?
 (n=85)

		Median	Mean
38%	Yes	20 hrs.	20 hrs.
62%	No		

57. How is compensation determined for employees on Part-time Employment arrangements?
 (n=86)

72%	Compensation for the job is directly proportional to full-time pay (pro-rated)
26%	Compensation is determined based solely on the incumbent's job responsibilities, skills, and experience
1%	Compensation is slightly higher than the rate paid to full-timers
1%	Compensation is slightly lower than the rate paid to full-timers
0%	Other

58. Do part-time employees receive benefits?
 (n=86)

23%	Yes, all part-time employees receive benefits
60%	Yes, but must work a minimum number of hours per week to receive benefits
10%	No, part-time employees do not receive benefits
6%	Other

58a. If minimum number of hours per week are required, what is the minimum?
 (n=51)

Median	Mean
20 hrs.	22 hrs.

59. Can employees vary their part-time schedules?
 (n=84)

58%	Yes
42%	No

59a. How often can the schedule vary?
 (n=48)

29%	Per manager discretion
15%	Daily
15%	Weekly
10%	Monthly
31%	Other (e.g., "Based on needs of the business," "At mutual agreement of manager and employee")

60. Are there any limits on the duration of time an employee can be on a Part-time Employment arrangement?
 (n=85)

11%	Yes, arrangement must be re-evaluated
0%	Yes, only allowed for a set time period
89%	No

61. Are there any special requirements for employees on a Part-time Employment arrangement?
(n=86)

67%	Yes
33%	No

61a. If there are special requirements, what are they?
(n=58; multiple responses)

86%	Being flexible if business needs require employee to occasionally work on an "off" day
40%	Periodic check-in with manager
36%	Ensuring work is covered on "off" days
16%	Check in on "off" days (e.g., by phone, voice mail, email)
12%	Other (e.g., "Varies by position," "Depends on business needs")

62. Is there a formal application process an employee must go through to work on a Part-time Employment arrangement?
(n=86)

37%	Yes
63%	No, at manager discretion

62a. Does the process include an agreement form that the employee must fill out regarding the specifics of the arrangement (e.g., identifying a schedule, coverage)?
(n=31)

87%	Yes
13%	No

62b. Is the employee required to provide a written business case?
(n=32)

44%	Yes
56%	No

62c. Who makes the decision to allow or deny a Part-time Employment arrangement?
(n=32; multiple responses)

91%	Manager
44%	Department or Business Group leader
53%	Human Resources
6%	Other (e.g., "Varies by location," "Varies by position")

62d. Is an appeal process available if the employee's application is denied?
(n=31)

39%	Yes
61%	No

63. What are HR's and managers' respective roles in administration of the Part-time Employment program?
 (n=84; multiple responses)

	HR's Role	Managers' Role
Review and approve/deny requests for Part-time Employment arrangements	39%	89%
Administer appeals process	38%	20%
Recordkeeping (tracking the arrangements)	32%	62%
Measure results	10%	70%
Periodic evaluation of arrangements	19%	80%
Support managers (advice and counsel)	96%	--
Other	0%	0%

64. Is there a trial period for the Part-time Employment arrangements?
 (n=85)

11%	Yes, 90 days
2%	Yes, 6 months
8%	Yes, other (e.g., "Manager discretion")
79%	No

65. Is there any difference in how performance is assessed for those on Part-time Employment arrangements?
 (n=86)

0%	Yes, performance is assessed more frequently
0%	Yes, specific goals and/or competencies related to the arrangements are evaluated
1%	Yes, other
99%	No, same process as employees not on a Part-time Employment arrangement

66. From the company's viewpoint, what is the overall success* of the Part-time Employment program?
 (n=84) (*Defined as "meeting business goals, being well-received, and worthy of being continued.")

1	2	3	4	5
26%	27%	43%	4%	0%
Highly Successful		Neutral		Not at All Successful

67. From the standpoint of meeting employee needs, how successful is the Part-time Employment program?
 (n=83)

1	2	3	4	5
32%	40%	24%	4%	0%
Highly Successful		Neutral		Not at All Successful

Telecommuting/Telework (In Use at 87% of Survey Companies)

Hewitt Comments: In the Telecommuting/Telework Program section that follows, we saw several findings of special interest.

1. The vast majority of Telecommuting arrangements are for home office-based work (83%), but a significant proportion of survey companies reported flexibility in that they offer a choice of work places (39%). Only one in five companies provide for hoteling (where the employee works at a company location, but does not have a set work station).
2. Survey companies are evenly split between those that require telecommuters to regularly spend time in the office and those that do not.
3. Eligibility for this form of flexible work arrangement differs from other types in that telecommuting is the least likely program to be offered to all employees and the most frequently provided to just exempts. Just 10% of the total employee population is typically eligible, the lowest proportion among all forms of flexible work arrangements surveyed.
4. 56% of the survey participants said that telecommuting is successful in meeting *company* needs. From the standpoint of success in meeting *employees'* needs, telecommuting was rated successful by 75% of the survey companies.

68. What kinds of Telecommuting/Telework arrangements does your company offer?

(n=70; multiple responses)

83%	Work at home
43%	Work at satellite (company) office/location
21%	Hoteling (no formal assigned office space and employees can work from any company location)
20%	Work anywhere (no required location)
39%	Combination of any options provided
10%	Other (e.g., "Business emergency situations," "Manager discretion")

68a. Are employees on Telecommuting/Telework required to spend time regularly in the office?

(n=70)

47%	Yes
53%	No

68b. What are requirements for time in-office?

(n=28; multiple responses)

32%	As determined by manager
21%	Based on business needs
18%	A number of days per month are required in-office
14%	A number of days per week are required in-office
21%	Other (e.g., "Depends on role," "Case by case")

69. Where in the company are Telecommuting/Telework arrangements offered?

(n=72; multiple responses except when "Company-wide" and "On an ad hoc basis")

39%	On an ad hoc basis only (at manager discretion)
22%	Company-wide
15%	Specific department/functions only
10%	Specific locations/offices only
8%	Specific business units only
7%	Corporate/headquarters location only
6%	Specific employee groups only
7%	Other

70. Which employees are eligible for the program (regardless of whether they participate)?
(n=70; multiple responses except when "All employees")

26%	All employees (no exclusions)
40%	Exempts only
9%	All but managers and executives
6%	Nonexempts only
7%	At manager discretion
20%	Other (e.g., "Based on business unit needs," "Nonunion")

71. What percent of the total country's employee population is eligible for Telecommuting/Telework?
(Eligibles divided by Total Number of Employees)
(n=56)

Median	Mean
10%	33%

71a. What percent of those eligible actually participate in Telecommuting/Telework?
(Participants divided by Eligibles)
(n=52)

Median	Mean
3%	11%

71b. What percent of those participating in Telecommuting/Telework arrangements do so on a full-time basis (i.e., work all of their hours at home or alternate locations)?
(Full-timers divided by Participants)
(n=42)

Median	Mean
10%	37%

72. What are the eligibility requirements for participating in Telecommuting/Telework (if any)?
(n=72; multiple responses except when "No formal requirements")

42%	Employees in specific jobs/roles only
39%	Employee must maintain a minimum level of performance (e.g., rated "Good Performer" or better)
39%	No formal requirements
7%	Employee must have a minimum amount of service with the organization
12%	Other (e.g., "Per manager discretion")

73. Are there any limits on the amount of time an employee can work on a Telecommuting/Telework arrangement?
(n=72)

26%	Yes, arrangement must be re-evaluated
3%	Yes, only allowed for a set time period
71%	No

73a. Where arrangement must be re-evaluated, length of time before re-evaluation:
(n=17)

Median	Mean
6 mos.	7 mos.

74. Are there any special requirements for employees on a Telecommuting/Telework arrangement?
(n=71)

80%	Yes
20%	No

74a. If there are special requirements, what are they?
(n=57; multiple responses)

79%	Be flexible if business needs require employee to be in a different office/location
77%	Periodic check-in with manager
68%	Periodic face-to-face meetings with team mates or colleagues
12%	Other (e.g., "Varies by telework agreement," "As dictated by business needs")

75. Is there a formal application process an employee must go through to work on a Telecommuting/Telework arrangement?
(n=73)

36%	Yes
64%	No, at manager discretion

75a. If there is a formal application process, does this include an agreement form that the employee must fill out regarding the specifics of the arrangement (e.g., identifying a schedule, coverage)?
(n=26)

100%	Yes
0%	No

75b. Where there is a formal application process, is the employee required to provide a written business case?
(n=26)

65%	Yes
35%	No

75c. Who makes the decision to allow or deny a Telecommuting/Telework arrangement?
(n=26; multiple responses)

81%	Manager
62%	Department or Business Group leader
46%	Human Resources
15%	Other

75d. Is an appeal process available if the employee's application is denied?
(n=25)

32%	Yes
68%	No

76. What are HR's and managers' respective roles in administration of the Telecommuting/Telework program?
(n=70; multiple responses)

	HR's Role	Managers' Role
Review and approve/deny requests for Telecommuting/Telework arrangements	28%	93%
Administer appeals process	39%	16%
Recordkeeping (tracking the arrangements)	25%	67%
Measure results	17%	70%
Periodic evaluation of arrangements	14%	84%
Support managers (advice and counsel)	97%	--
Other	0%	0%

77. Is there a trial period for the Telecommuting/Telework arrangements?
(n=71)

15%	Yes, 90 days
4%	Yes, 6 months
9%	Yes, at manager discretion
4%	Yes, other
68%	No

78. Is there any difference in how performance is assessed for those on Telecommuting/Telework arrangements?
(n=73; multiple responses except when "No, same process...")

1%	Yes, performance is assessed more frequently
0%	Yes, specific goals and/or competencies related to the arrangements are evaluated
1%	Yes, other
97%	No, same process as employees not on a Telecommuting/Telework arrangement

79. From the company's viewpoint, what is the overall success* of the Telecommuting/Telework program?
(n=70) (*Defined as meeting business goals, being well received, and worthy of being continued.)

1	2	3	4	5
26%	30%	43%	0%	1%
Highly Successful		Neutral		Not at All Successful

80. From the standpoint of meeting employee needs, how successful is the Telecommuting/Telework program?
(n=70)

1	2	3	4	5
41%	34%	20%	1%	3%
Highly Successful		Neutral		Not at All Successful

Hewitt Comments: In the next three sections—Phased Retirement, Phased Return from Leave, and Virtual Work—we found that a relatively small proportion of survey companies provided data on their programs. Thus, results for questions 81 through 83 should be used with caution. Notably, among all forms of flexible work arrangements, Phased Retirement is the one that is being considered or planned by the largest proportion of survey companies (21%).

Phased Retirement (In Use at 44% of Survey Companies)

81. What percent of the total country's employee population is eligible for Phased Retirement?
(Eligibles divided by Total Number of Employees)
(n=10)

Median	Mean
95%	66%

81a. What percent of those eligible actually participate in Phased Retirement?
(Participants divided by Eligibles)
(n=8)

Median	Mean
1%	1%

Phased Return from Leave (In Use at 65% of Survey Companies)

82. What percent of the total country's employee population is eligible for Phased Return from Leave?
(Eligibles divided by Total Number of Employees)
(n=26)

Median	Mean
100%	69%

82a. What percent of those eligible actually participate in Phased Return from Leave?
(Participants divided by Eligibles)
(n=20)

Median	Mean
2%	17%

Virtual Work (In Use at 38% of Survey Companies)

83. What percent of the total country's employee population is eligible for Virtual Work?
(Eligibles divided by Total Number of Employees)
(n=11)

Median	Mean
90%	56%

83a. What percent of those eligible actually participate in Virtual Work?
(Participants divided by Eligibles)
(n=7)

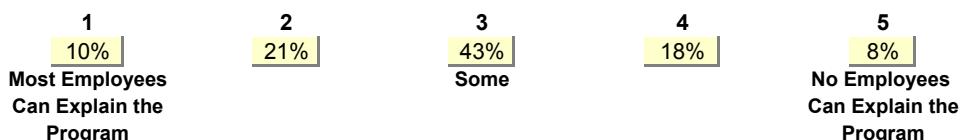
Median	Mean
5%	13%

Hewitt Comments: Considering the changing demographics within the country's workforce, survey results reveal a significant opportunity for HR professionals to help their companies attract, motivate, and retain talent by marketing workplace flexibility programs and by training managers to implement flexible work arrangements. To be effective, such marketing/training initiatives need to be conducted on an ongoing basis, not just when new programs are launched.

Given the lack of ongoing education about workplace flexibility programs, it's not surprising that only 31% of respondents are confident their employees understand the workplace flexibility programs currently in place.

Survey results also indicate that companies rely primarily on managers to implement workplace flexibility programs. In fact, when companies who do not formally communicate their program were asked their motivation, more than two thirds cited "So programs can be offered at manager discretion (on an ad hoc basis)." However, only 39% of respondents reported confidence that their company's managers could explain programs to employees and only 42% believed that managers have the skills to manage employees with flexible work arrangements. This lack of confidence is understandable, since 61% of respondents say managers at their companies have no formal training on how to manage people with flexible work arrangements.

84. Currently, how well do employees understand the workplace flexibility program(s) your company offers?
(n=87)



85. Generally, which audiences receive education and communications about your workplace flexibility programs?
(n=88)

48%	All employees
36%	Only eligible employees
16%	Other (e.g., "Managers")

86. How has your company educated employees about flexible work arrangements, both initially (at the introduction of programs) and on an ongoing basis (annually or periodically)?
(n=90; multiple responses except when "No formal communication")

	Initially (at introduction)	Ongoing (annually)
Communication/Education Tools		
Description on company intranet/databases	40%	47%
Print communication (brochure, memo, etc.)	31%	17%
Employee briefings/training (meetings or call-in sessions)	30%	4%
No formal communication; as requested only	28%	30%
Ad hoc communications from managers	26%	34%
New hire orientation materials	26%	17%
Written manual/employee toolkit	16%	19%
Total rewards statement/total rewards portal	6%	10%
Summary in annual benefits enrollment packet	3%	7%
Managers communicate as part of performance review	3%	3%
Other	2%	8%

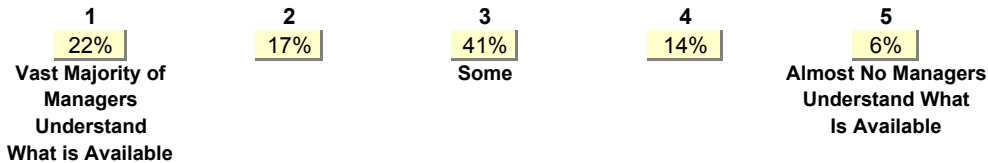
87. If the program(s) have been communicated, what are the main reasons for doing so?
(n=66; multiple responses)

70%	Enhance employee engagement
67%	Increase employee retention
58%	Assist with recruitment
50%	Ensure consistency in workplace flexibility arrangements across the organization
27%	Drive program usage by "selling" the programs
3%	CEO or executive-driven
8%	Other (e.g., "Business continuity planning," "Reduce confusion about programs")

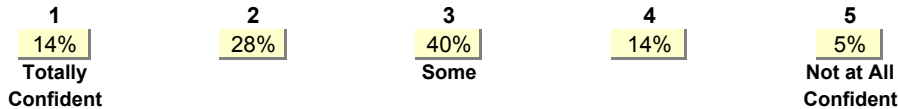
88. If there has been no or little communication about the program(s) to employees, what are the main reasons?
(n=16; multiple responses except when "No reason")

69%	So programs can be offered at manager discretion (on an ad hoc basis)
38%	Lack of executive support for programs
31%	Desire to contain usage of programs
19%	Lack of manager understanding about the programs (hesitancy to implement)
19%	No reason; just have not
6%	Lack of resources/budget for communications
0%	Other

89. Currently, how well do managers understand the workplace flexibility program(s) your company offers?
(n=87)



90. How confident do you believe managers/supervisors are in their ability to manage employees who work under a flexible work schedule?
(n=87)



91. What type of support have people managers/supervisors received to help them manage employees under flexible work arrangements, both initially (with introduction of program) and on an ongoing basis?
(n=89; multiple responses except when "No formal training")

Types of Manager/Supervisor Training	Initially (at introduction)	Ongoing (annually)
No formal training	61%	61%
Manager-only briefings/presentations (meetings or call-in sessions)	25%	13%
Training session focused specifically on workplace flexibility initiatives (in-person or call-in session)	20%	10%
Broader manager training sessions that include workplace flexibility	15%	16%
Mgr. and employee briefings/presentations (meetings or call-in sessions)	11%	7%
Computer-based training	7%	8%
Other	6%	8%

(n=60; multiple responses)

Types of Manager/Supervisor Education	Initially (at introduction)	Ongoing (annually)
Description on company intranet/databases/manager portal	57%	68%
Print communication (brochure, memo, etc.)	45%	29%
Written manual or "manager toolkit"	37%	29%
Other	10%	12%

Results/Outcomes Achieved

This group of questions asked about all Workplace Flexibility programs—the total combination of all such programs offered. Where answers vary by type of program, respondents were asked to base their answers on the largest/most common program (the one covering the greatest proportion of employees).

Hewitt Comments: This survey, like others before it, show how few companies have found ways to quantitatively evaluate HR programs such as flexible work arrangements. Interestingly, for those companies that do measure outcomes, employee engagement and retention are the most-used measures (by about 70%). Then, when asked about positive results (regardless of whether measured or not), employee engagement and retention improvements are seen most frequently (by about 65%). Notably, we found that HR is more positive about using workplace flexibility programs as a business tool than are executives and managers (see Question 98).

As to costs, just 10% of the survey companies said their workplace flexibility programs did not incur cost. Among the most-often cited costs are hard-dollar costs—telecommunications and equipment (e.g., laptops and software)—cited by about half of the companies.

Most telling is the balance between costs and benefits. While the majority say that, overall, their flexible work arrangements programs are cost neutral (53%), a large proportion say program benefits outweigh costs (45%). Notably, just 2% say that costs outweigh benefits.

92. Are results of the Workplace Flexibility program measured in any way?
(*n=90*)

14%	Yes, informally
14%	Yes, formally
71%	No

93. What are the key measures used in evaluating the program?
(*n=26; multiple responses*)

73%	Employee engagement
69%	Retention
50%	Productivity
35%	Recruitment
35%	Scheduling/coverage
31%	Attendance
4%	Other

Costs and Benefits

94. What are the most positive results your organization has achieved from the Workplace Flexibility program?
(*n=80; multiple responses*)

66%	Increased employee engagement
64%	Improved retention
49%	Enhanced recruiting
35%	Enhanced scheduling/coverage
31%	Increased productivity
29%	Improved attendance
9%	Other

95. Which of the following costs have been incurred as a result of the Workplace Flexibility program?
(n=64; multiple responses)

52%	Telecommunications (phone lines, long-distance costs, etc.)
47%	Equipment (laptops, software, etc.)
33%	Communication/training
31%	Additional benefits cost (for part-time or job sharing employees)
14%	Travel costs
13%	Overtime due to scheduling/coverage issues
10%	No costs (cost neutral)
7%	Other

96. Specific results that survey companies have realized as a result of their Workplace Flexibility programs, both the "good" and the "bad." A total of 29 companies provided positive results of their programs.

Positive Results

Of the 29 respondents, 57% noted **increased employee engagement**.

Examples of their actual comments include:

- "Employees engaged in the program are happier and more engaged."
- "Better work life balance."
- "Our engagement survey indicates that our flexible scheduling options are one of our most popular offerings."
- "On our latest employee survey, 80% responded favorably to the question, *My work schedule allows sufficient flexibility to meet my personal/family needs.*"

31% mentioned **increased retention** as a result of their programs.

Examples of their actual comments include:

- "In our Employee Engagement Survey, employees frequently write in that they are not looking for another job outside our company because they don't feel they could find a work environment that offers the same level of flexibility as we have."
- "Higher female retention with part-time schedules."
- "We have been able to retain employees while their children are young."
- "Retain top talent especially in retirement-age employees."
- "Has increased retention of valuable employees."

17% of the survey companies reported that their programs **enhanced their recruitment efforts**.

Examples of their actual comments include:

- "Opening up a new source for recruitment and we are more competitive in the labor market."
- "Good for hiring new employees."

14% of the companies reported that their programs **improved business processes or productivity**.

Examples of their actual comments include:

- "Improved utilization and maintenance of machinery."
- "Reduced overtime pay."
- "Allows for greater coverage."
- "Better productivity."
- "Moved the needle on work flow processes, productivity, customer servicing capabilities, attendance, retention, and satisfaction."
- "Allows for 24 hours of coverage in IT."

Negative Results

Of the 22 respondents who shared negative results of their programs, 32% cited **workload issues**.

Examples of their actual comments include:

- "Occasionally employees are not present when you may require their services, however this does not occur often."
- "Shortened available interface time with our customers. This has been successfully managed but requires vigilance to maintain customer satisfaction."
- "Interruption of work flow when processes are not in line with arrangements."
- "Fridays can have limited meeting opportunities."
- "Managers struggle with managing flexible workers, getting work done with fewer man-hours."

Resentment on the part of employees ineligible for these programs causes problems at 18% of the survey companies.

An example comment:

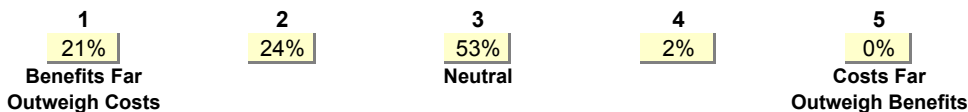
- "Due to unique circumstances, some business units are unable to offer flexible scheduling options which is unpopular with the employees in those units."

Lack of management buy-in and training was cited by 23% of the survey companies.

Examples of their actual comments include:

- "Lack of executive buy-in due to lack of experience with a formalized program."
- "Managers need to understand that workplace flexibility is not a substitute for appropriate compensation and career opportunities."
- "Managers have lack of understanding and skills."
- "More work needed at middle management level to increase acceptance of flexible work arrangements."

97. Overall, what is the balance of benefits to costs of the company's Workplace Flexibility program(s)?
(n=83)

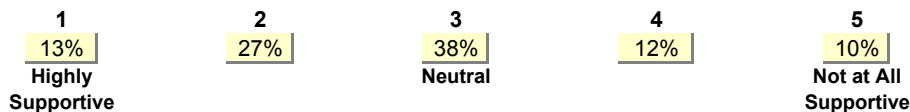


Hewitt Comments: Question 97 is likely the most important question in the survey, because the bottom line is whether any program pays for itself (or better). Clearly, almost all of the survey companies are very positive in that just over half say their workplace flexibility programs are at least cost neutral and 45% say that benefits outweigh program costs. Note that the question below (#98) suggests that HR needs to tell this success story more widely outside of HR.

98. How is Workplace Flexibility viewed within the company...
(n=88)

	As a Critical Business Tool		Neutral	4	As a Problem
	1	2			
...by executives?	8%	29%	47%	10%	6%
...by managers/supervisors?	11%	35%	41%	9%	3%
...by Human Resources?	35%	40%	23%	2%	0%

99. How supportive is company culture of Workplace Flexibility?
(n=90)



100. For your company what, if any, are the key obstacles to implementing and/or realizing the benefits of Workplace Flexibility?

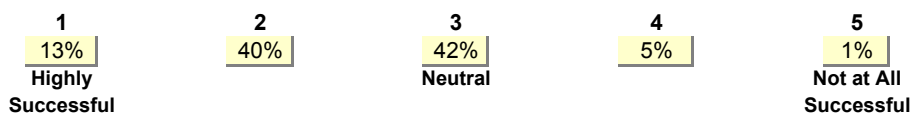
(n=90; multiple responses except when "None")

61%	Workload constraints
51%	Inconsistent application of programs across the company
37%	Lack of support from senior leaders
32%	Lack of support from middle management
31%	Lack of employee understanding
28%	Types of programs offered
16%	Technology
10%	Legal concerns
9%	Lack of support from HR
17%	Other (e.g., "Culture," "Lack of understanding/support from individual managers")
6%	None

Program Success

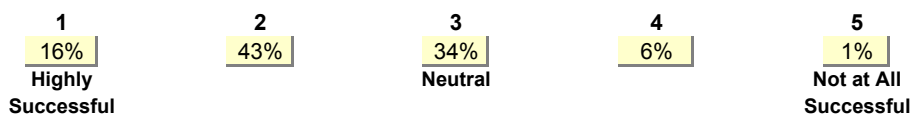
101. Looking across all of your company's flexible work arrangement programs, how successful* is the program from a business perspective?

(n=86) (*Defined as meeting business goals, being well received, and worthy of being continued.)



102. How successful are your flexible work arrangements at meeting employee needs?

(n=86)



Advice for Other Companies

103. "If you had your program to do over again, what changes would you make?" (Example comments below.)

- "Formalize it!"
- "Establish a culture where all employees are eligible, but where it is understood and accepted that flexible work will not be a possibility for all employees."
- "Establish a way to track and measure utilization."
- "Better metrics around productivity."
- "Pay more attention to communication and training of managers and staff."
- "Stronger focus on leader training on leading a flexible workforce."

104. Advice for others' programs: (Example comments below.)

- "Flexibility = engagement = business success."
- "Great moral booster."
- "Flexibility is a great retention tool, especially in down times when you don't have lots of money to award through bonuses."
- "Have formal written policies so that all involved know what is expected of them."
- "Move away from ad hoc."
- "Communicate thoroughly and frequently."
- "Understand employees' wants and needs first."
- "Don't assume everyone in the company, or even all employees in a similar demographic or role, requires the same flexibility."
- "Part-time employees are generally more productive per hour worked than full-time, so don't be afraid of the concept."

Revenues

Annual country revenues (Omitting financial companies):

\$ 2,500 million (median)

Size Distribution (\$ revenues)

20%	Under \$1 billion
35%	\$1 - \$3 billion
20%	\$3 - \$7 billion
25%	Over \$7 billion

Employees

Total country employees: 5,850 (median)

Size Distribution (no. of employees)

12%	Under 1,000
32%	1,000 - 5,000
50%	5,000 - 100,000
6%	Over 100,000

Primary Industry

3%	Automotive/Vehicle Manufacturing	2%	Health Care/Medical Services
8%	Banking	3%	Hospitality/Restaurants
6%	Business/Computer Services	8%	Insurance
7%	Chemicals	14%	Manufacturing-Other
2%	Construction/Engineering	2%	Pharmaceutical
2%	Consumer Products-Nondurable Goods	3%	Research/Development
4%	Diversified Financial Services	8%	Retail
16%	Energy (Oil/Gas/Coal)	4%	Telecommunications
1%	Food/Beverage/Tobacco	2%	Utility-Other
1%	Forest and Paper Products/Packaging	2%	Other