



Workplace Flexibility: Ensuring Success for the 21st Century

A National Challenge for Business

EMPLOYER PERSPECTIVES ON FLEXIBILITY IN THE MANUFACTURING SECTOR

Summary

As global competition, technology, economic and workforce demographic changes create the impetus for greater workplace flexibility to improve business and financial performance, the need to document how flexibility benefits U.S. employers and employees has grown as well. In conjunction with the U.S. Department of Labor’s Women’s Bureau, Corporate Voices for Working Families, WFD Consulting, WorldatWork, the Society for Human Resource Management and the Twiga Foundation conducted focus groups with employers in specific sectors of the economy to understand their experiences and results with implementing flexibility. The information below summarizes the findings from five manufacturing firms in the Midwest concerning the business drivers, solutions, critical success factors and impacts of flexible work practices within the context of the manufacturing environment and the regional economy.

Flexibility Spectrum

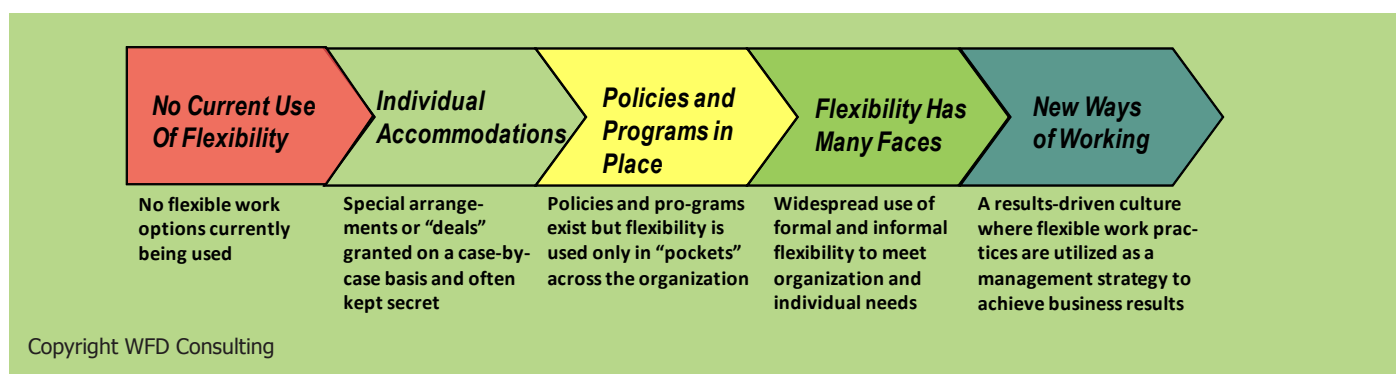
Manufacturing firms in this study represent the full range of progress along the flexibility spectrum: in some of the companies, production employees have very little access to flexibility, while nonexempt office workers and salaried employees may have access to a broader array of flexibility options. In others, individual arrangements exist without a formal policy in place or open communication. Some firms have adopted a results-driven culture where

managers and teams are encouraged to develop innovative flexibility solutions in production environments as well as in non-production functions.

Business Drivers

Manufacturing firms are motivated to implement flexible work practices for a variety of reasons: to improve the recruitment and retention of talent, to boost morale and engagement, to increase productivity and to respond to the needs of a global business.

- During the recent recession, employers increased flexible work options at a time when they were unable to increase monetary rewards
- Flexibility is an effective recruitment tool to attract younger employees who desire greater flexibility. As the economy improves, employers are effectively using flexibility as a competitive differentiator; some are tying flexible working to their external brand of flexible manufacturing
- Flexibility enhances productivity by avoiding unscheduled absenteeism and unwanted turnover due to work-life conflicts
- Flexible working is part of an overall culture change in companies that are evolving to new ways of working which are more flexible, more



inclusive, more responsive to the needs of employees and more agile to meet the demands of the global economy

- Business leaders understand the impact of employee engagement on productivity and customer service and they take seriously internal surveys that demonstrate the linkage between flexibility and higher employee engagement.

Flexibility Work Practices

Commonly, hourly workers in non-production functions have access to a broader range of both regular flexible work arrangements (including flextime, telework, summer hours and part-time) and occasional flexibility than workers in production functions. However, a number of manufacturing firms have successfully adopted the following practices for production workers with positive results:

- Compressed work weeks, either 4/10 or 9/80
- Flextime at the beginning or end of shifts, and the ability to make up time during another shift
- Paid time off available on short notice or “just-in-time” time off
- Ability to take time off in half-day increments.

Companies are looking at other innovative approaches such as:

- Exploring whether some parts assembly can be performed at home
- Engaging workers in creative solutions for overtime scheduling
- Providing extended leaves for volunteer work, sabbatical, returning to home country and caregiving
- Reducing health-related absenteeism through health coaching and other on-site health services.

Flexibility also supports manufacturing’s tradition of promoting skill development and continuing education. In addition to monetary incentives for certification and tuition reimbursement programs, companies allow employ-

ees to change their work schedules and telework, where possible, to accommodate course schedules.

Impacts

Companies’ process measures, employee surveys, customer feedback systems and HRIS metrics indicate that workplace flexibility has positive impacts on recruitment, retention and engagement, and neutral or positive impacts on productivity and customer satisfaction

- Customers report seamless service and improved responsiveness
- Productivity improves from reduced absenteeism and increased focus and efficiency
- Employee engagement and satisfaction are higher for employees using flexibility
- Higher recruitment success and lower turnover are attributed to access to flexibility
- Financial return on investment in IT and training is favorable.

Success Factors

Companies have found that successful implementation of flexibility in manufacturing environments depends upon **leadership support** in words and action, **manager training, communication**, having the right **technology and tools, cross training, employee involvement, results orientation, openness to new ways of working** and **consistent use of clear policies**.

The National Flexibility Campaign

Corporate Voices for Working Families is leading a national workplace flexibility campaign, at the request of the White House, to create a broader awareness of the positive business and employee benefits of workplace flexibility. Through this campaign, Corporate Voices is spotlighting the leadership of those businesses who sign its Statement of Support for Expanding Workplace Flexibility, and is encouraging the wider business community to modernize their workplaces to become more competitive in the global economy. To learn more about the campaign and how to join, visit: www.corporatevoices.org/our-work/flexcampaign.

About the Organizations

Corporate Voices for Working Families, WorldatWork, Society for Human Resource Management, WFD Consulting and the Twiga Foundation are part of the national workplace flexibility campaign. By engaging the business community and conducting research about the business impacts of workplace flexibility, these organizations are raising awareness about how flexibility can catalyze success for working families and businesses in the 21st century.

