

RESEARCH PROJECT
ALTERNATIVE WORK PROGRAMS

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For

BUS 343:Human Resource Management
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December 15, 2004

Abstract

Employers are feeling the strain of needing to offer alternative work arrangements to retain and recruit employees. Due to a change in demographics, dual-career couples and increased technology; people are demanding a transformation in the workplace environment. Two alternatives, which are being offered by employers, are flextime and telecommuting.

“While flextime was slow to take off in the United States, it is now the most common type of flexible work arrangement” (Avery & Zabel, 2001). According to the Bureau of Labor Statistics, in May 2001, about 29 million full-time wage and salary workers had flexible work schedules, which allowed them to vary the time they began or ended work.

According to a survey conducted for Olsen Corporation, based in Melville, N.Y., the majority of North American companies, 51 percent, now allow their employees to telecommute to work through ongoing pilot programs. Approximately 15 percent of today’s workforce telecommutes at least once a week.

Both alternative work arrangements have benefits. For the employer, flextime and telecommuting are used as a tool to broaden their employee base. For the employee, the programs offer more work to personal life balance.

The downside, for employers, is that middle management resists the concept of employees working in an unsupervised environment. Furthermore, some employees don’t take advantage of the programs in fear that their managers will look negatively upon them.

The traditional working arrangement is being transformed into a more employee friendly environment. Due to prior federal regulations, employees had to work a forty-hour week consisting of five eight-hour days. However, with the enactment of the Family and Medical Leave Act, the traditional work schedule began to transform. There are many factors that are driving change in the work place. The demographics of the workforce have changed. It is no longer the man who brings home the paycheck and the woman who stays at home to manage the house and children. According to Avery and Zabel (2001)“dual-career couples comprise 45 percent of U.S. workforce”. Also, companies are becoming more technologically advanced which opens the options for alternative office settings. Many employees are putting their personal lives first, which means that a company might loose an employee if they don't offer substitute solutions to the traditional working schedule.

One form of an alternative working schedule is flextime. According to Bohlander and Snell (2004) flextime is “flexible working hours that permit employees the option of choosing daily starting and quitting times, provided that they work a set number of hours per day or week”. Another working arrangement, which is becoming more noticeable, is teleworking. As defined by Bohlander and Snell (2004), telecommuting (also referred to as teleworking) is the “use of personal computers, networks, and other communications technology such as fax machines to do work in the home that is traditionally done in the workplace”.

Following is statistical information on flexible work schedules and telecommuters. Also included is a review of the positives and negatives associated with flextime and teleworking programs.

Statistical Data

There are several factors driving the need for employers to offer flexible working schedules. For example, the demographics of the workforce are changing, which have caused employers to offer alternative work schedule to meet the demands of their employees. Not only are women more prevalent in the work force but also many of them are part of a dual-career marriage, which has young children involved. According to Avery and Zabel (2001) “in the United States, 62 percent of women with children under the age of six are employed and 75 percent of women with children between six and seventeen are employed. More than half of all mothers return to work by the time their children are one year old”. Also, America is aging, which increases the demand of working age adults to care for elderly parents. Beyond the need to provide dependent care, people also are looking for new ways to balance their careers with busy lifestyles.

As indicated by the Bureau of Labor Statistics, in May 2001, about 29 million full-time wage and salary workers had flexible work schedules that allowed them to vary the time they began or ended work. Between full-time wage and salary workers, 28.8 percent had flexible work schedules, and about one-third of these workers (11.1 percent of the total) worked flexible hours as part of a formal employer-sponsored flexitime program (see attached appendix A).

The Bureau of Labor Statistics, in May 2001, also stated that while over 1 in 4 workers can vary their schedules, only about 1 in 10 are enrolled in a formal, employer-sponsored flexitime program. Full-time wage and salary workers in managerial and professional specialty occupations, who were most likely to work

flexible schedules, were also the most likely to have a formal flexitime program (15.6 percent). Nonetheless, only about 2 out of 5 managers and professionals with flexible hours participated in a formal flexitime program. Among operators, fabricators, and laborers, just 5.5 percent worked flexible hours as part of a formal flexitime program, mirroring this group's small overall proportion of workers with flexible schedules (see attached Appendix B).

As indicated in a recent study by the Employment Policy Foundation, fifteen percent of the workforce teleworks at least one day a week. Eighty percent of those who work from home use computers to do so. Four out of five workers who regularly performed telework worked in managerial, professional or sales jobs. Almost 30 percent of managers and professionals said they performed telework. Employees in manufacturing environments were far less likely to report participating in telework – only 2.2 percent of operators, fabricators and laborers reported working from home more than once a week. (Robinson, Karyn-Siobhan, 2004)

According to the ITA's most recent survey, the average telecommuter spends nineteen hours per week working from home, is forty years old, and earns \$51,000 per year.

Advantages of Alternative Work Programs

There are numerous reasons why employers offer alternative work programs to their employees. “By allowing employees greater flexibility in work scheduling, employers can reduce some of the traditional causes of tardiness and absenteeism” (Bohlander, 2002). For employees, flexitime and teleworking allows them to accomplish tasks that may have been put aside due to a strict work schedule. Also,

the Department of Transportation encourages flextime and teleworking schedule because it reduces the quantity of automobiles on the road. For the employee, the reduction of commuting time allows more time to focus on other tasks and reduces the stress level. Some specific benefits of flextime are as follows:

Employee recruitment and retention is higher when flextime is offered.

Flextime can be offered in a package along with other company benefits to attract new hires. According to Renckly (2004) “together with dependent care and flexible spending accounts, flextime is one of the three most popular family friendly benefits”. Employees may not take advantage of the program but knowing that their employer offers flextime is an incentive for new and existing employees.

Productivity is increased with flextime. Employees tend to be absent less and on time more, which increases productivity. Also, flextime allows businesses to extend their hours of operation. “This is increasingly important in a global economy where clients across many time zones expect service twenty-four hours a day” (Avery & Zabel, 2001).

Flextime allows companies to lower costs. Often times when companies experience a downsizing, remaining employees become concerned with job security. The employer wants to reassure the existing employees that they are valued and use flextime as an alternative to cash bonuses. Also, employees feel more valued as an individual and are empowered in their job, which will encourage the employee to stay with a company through the hard times.

Telecommuting has some of the same advantages as flextime. However some specific positive aspects to telecommuting are; reduction of cost for real estate, an

increased ability to comply with workplace laws, and exposing children to the world of work and environmental issues. Officials with the Environmental Protection Agency show that telecommuters generally cut their vehicle use by nearly 30 percent, even though they tend to take more personal trips per day than “traditional workers” (Leonard, 1997, p8). “Telecommuting was associated with lower levels of stress and increased feelings of control over ones’ life. Telecommuters also reported higher levels of effectiveness, measured by accomplishing more of their required daily tasks than control group-members accomplished” (Avery & Zabel, 2001).

Furthermore, by companies offering telecommuting, they are broadening the scope of potential employees. Similar advantages to flextime are increased productivity, reduction in turnover and cost reduction.

Disadvantages of Alternative Work Programs

There are always two sides to a coin and with every positive there are the negatives. According to Avery and Zabel (2001) “Kathleen Christensen has identified several barriers to flexibility: resistance by top management, union resistance, resistance by supervisors who perceive difficulty in managing employees on flexible schedules, and nonparticipating employees who are resentful of those on flexible schedules”. “In 1998 a Catalyst study involving three types of flexible work arrangements (part-time work, job sharing, and teleworking) in fifty companies, 41 percent of the human resource professionals interviewed cited resistance (at least initially) to flexible work arrangements by middle managers” (Avery & Zabel, 2001). Also, some employees don’t take advantage of alternative work programs because

they fear it will make them look worse in comparison to the employee who is willing to put in an eighty hour work week and is available at all times for the boss.

According to a study of 1,353 employees and 151 managers by Boston College's Center for Work & Family in Chestnut Hill, Massachusetts, managers are more likely than employee to believe that telecommuting negatively affects employee-supervisor relationships; managers also are less likely to feel that telecommuters get the same promotions and performance reviews as other employees. The Boston College Center for Work & Family also performed a study which found that telecommuters work more, rate their work/life balance and life satisfaction significantly lower, believe they have worse relationships with their managers and co-workers, and are less committed to their jobs. Telecommuting also causes more stress than other types of flexible work arrangements, such as daily flextime, the study found (Wells, 2001, p34).

Family members, household chores, television, or the refrigerator can distract some telecommuters (Avery & Zabel, 2001). Often times when an employee telecommutes from a home office, it is difficult to draw a line between workspace and home space. The telecommuter might work into the late evening due to a feeling of obligation, which could have been cut off if the work was left at the office and the employee drove home. Another drawback is that the remote worker will feel lonely and isolated, especially those workers who like the social aspects of the workplace (Avery & Zabel, 2001).

No matter what the disadvantages of flexible working schedules are, a large number of employees and employers are drawn to the working arrangement.

Reference Cited

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Appendix A

Flexible schedules and shift work of full-time wage and salary workers by sex, race, and Hispanic origin, May, selected years 1985-2001

Characteristics	Percent with flexible schedules				Percent with alternate shifts			
	May	May	May	May	May	May	May	May
	1995	1991	1997	2001	1985	1991	1997	2001
Sex								
Total, 16 yrs & over	12.4	15.0	27.6	28.8	16.0	18.0	16.0	14.5
Men	13.1	15.4	28.6	30.0	17.9	20.4	19.2	16.4
Women	11.3	14.5	26.2	27.4	13.2	14.8	13.7	12.1
Race & Hispanic Origin								
White	12.8	15.4	28.6	30.0	15.5	17.2	16.2	13.6
Black	9.1	12.0	20.1	21.2	20.0	23.3	21.0	19.7
Hispanic origin	8.9	10.6	18.2	19.8	15.8	19.2	16.2	14.8

Note: Data are tabulated for all employed persons. Estimates for years prior to 2001 may differ slightly from those previously published, which were tabulated only for persons at work. See the Technical Note for further information. Data exclude the incorporated and unincorporated self-employed.

Appendix B

Flexible schedules: Full-time wage and salary workers by formal flex occupation, and industry, May 2001.

(Numbers in thousands)

Occupation and Industry	Total (1)	With flexible schedules
Total, 16 years and over	99,631	28,724
Occupation		
Managerial & professional specialty	32,960	13,326
Executive, administrative & managerial	16,279	7,404
Professional specialty	16,681	5,922
Mathematical and computer science	1,930	1,134
Natural scientists	461	241
Teachers, college and university	661	395
Technical, sale & administrative support	27,607	8,617
Technicians and related support	3,757	1,181
Sales occupations	9,852	4,011
Sales workers, retail & personal service	3,146	901
Admin support, including clerical	13,997	3,426
Service occupations	12,382	2,572
Private household	377	132
Protective service	2,144	343
Service, except private household protective	8,207	1,755
Food service	3,036	696
Health service	1,829	304
Cleaning and building service	2,151	326
Personal service	1,192	429
Precision production, craft & repair	12,061	2,209
Mechanics and repairers	4,133	827
Construction trades	4,333	755
Other precision, production, craft and repair	3,596	628
Operators, fabricators, and laborers	14,621	1,999
Machine operators, assemblers, and inspectors	6,220	614
Transportation and material moving	4,735	946
Handlers, equipment cleaners, helpers and laborers	3,667	439
Farming, forestry, and fishing	1,653	342
Industry		
Private sector	83,015	24,987
Goods-producing industries	26,021	6,014
Agriculture	1,543	343
Mining	539	121
Construction	6,133	1,386
Manufacturing	17,805	4,163
Durable goods	11,171	2,743
Nondurable goods	6,635	1,420
Service-producing industries	56,995	18,974
Transportation and public utilities	6,961	2,068
Wholesale trade	4,319	1,528
Retail trade	13,038	3,989
Eating and drinking places	3,436	1,045

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Finance, insurance, and real estate	6,645	2,687
Services	26,031	8,701
Private households	416	149
Business, automobile, and repair	6,646	2,473
Personal, except private household	1,954	609
Entertainment and recreation	1,215	489
Professional services	15,777	4,970
Forestry and fisheries	24	11
Government	16,616	3,736
Federal	3,140	1,079
State	4,868	1,447
Local	8,608	1,209

1 Includes persons who did not provide information on flexible schedules.

2 Percent not shown where base is less than 75,000.

Note: Data relate to the sole or principal job of full-time wage and salary self-employed persons, regardless of whether or not their businesses were incorporated.