## Flex Bulletin #19 – Build Business, Assume Retention

April 15, 2009



[What better use can one make of a mid-recession Spring Break than to renew the company website? At the new and improved <u>www.rupertandcompany.com</u> you will find:

- an archive of our FlexBulletins and Pioneer Updates and a subscription form for colleagues
- a full preview of our FlexWise™ and TripSaver online guidelines and tools, and
- a robust set of case studies and key interventions that outline our business-beneficial approach to workplace flexibility.

## Enjoy your visit and please give us any feedback - we are already at work on a new site.]

**Retention Above All** The last FlexBulletin ("When Retention's *NOT* a Bonus") focused on the impact of the current recession on retention-driven flexibility strategies. We commented at the end that *"there is little data that can tell us how flexibility is faring in companies. We do know anecdotally that there is some contraction in existing offerings and new rollouts."* 

In the final paragraph we asked readers to take a brief survey. In an over-surveyed world, we expected a modest response. Eleven notable companies responded, and their information, though not a representative sample of our list, was intriguing. Their replies on the key questions were very similar - and worth sharing.

The characteristics of these survey respondents were:

- Nine of the eleven firms had between 5,000 and 100,000+ employees.
- They represented financial services, pharmaceuticals, business services and healthcare
- Twice as many offered telecommuting, remote work and flextime as offered compressed and reduced schedules

These companies confirmed our perception that retention is currently the primary driver of flexibility. Asked to select their two top goals from a list, the results were:

- 73% chose "retention of talented employees"
- 55% selected "enhanced employee commitment and satisfaction"
- 36% indicated "increased employee productivity"
- Only 9% selected "reduced space costs" as a primary driver

To a series of questions about the status and trajectory of flex within their organizations, the group's response could be summarized as follows:

- The number of employees and usage of FWAs has remained the same in this recession
- Internal marketing of FWAs has remained generally constant
- 54% of respondents expect development of FWA programs to remain constant or decrease over the next 6 months; the others expect an increase.

**Should Productivity Prevail?** Assuming that there is or may be at least some pause in flexibility during the worst of this recession, it is also likely that the march toward the more flexible workplace will resume. The major strategic question facing champions of culture change now or then may be: "Will flexibility serve primarily as a toolkit for enhanced productivity or a practice that builds employee satisfaction and retention?"

Clearly flexibility is and can be both. The challenge comes in a simple fact: employee satisfaction is a desirable goal for employees and productivity is a desirable goal for managers and companies. Developing an approach that provides both but shifts priority toward greater contribution to the business is different and more difficult than providing a "benefit" that meets employees' need for greater control of their schedule.

Next issue we will address the challenge of creating a business-beneficial flexibility system. In the meantime, you might browse our website - <u>www.rupertandcompany.com</u> - and look at some of the case studies and drop-down segments to get a head start on this discussion.

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