



# Workplace Flexibility: Ensuring Success for the 21st Century

## A National Challenge for Business

### EMPLOYER PERSPECTIVES ON FLEXIBILITY IN THE FINANCIAL SERVICES SECTOR

Summary, June 2011

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 financial services firms in the New York tri-state area concerning the business drivers, practices, business impacts, critical success factors and challenges of implementing flexibility within the context of the financial sector and the regional economy.

#### Flexibility Spectrum

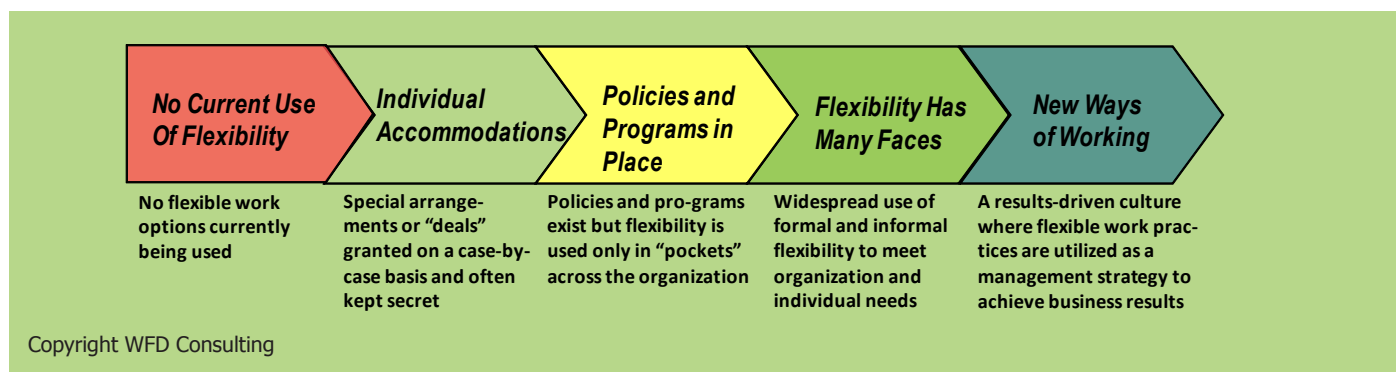
Financial services firms in this study represent the full range of progress along the flexibility spectrum: in some of the companies, employees have very little access to flexibility. In others, individual arrangements exist without a formal policy in place or open communication, or flexibility is supported in some departments or functions but

not in others. In some companies, employees have access to a broader array of options. Some firms have incorporated flexibility into their business strategy to create a results-driven culture where managers and teams are encouraged to develop innovative flexibility solutions.

#### Business Drivers

Financial services 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 profitability and to respond to the needs of a global business.

- Employers implemented technology, systems and training to enable teleworking to ensure business continuity for pandemics in the aftermath of September 11. Over time, telework has been incorporated into normal business operations.
- Real estate costs have motivated several firms to implement telework and to redesign workspaces with open workspaces, hotdesks and huddle rooms, with fewer individually-assigned workspaces.
- Flexibility is an effective recruitment tool to attract younger employees who desire greater flexibility, to recruit remote workers from a wider geographic talent pool and to compete as an Employer of Choice.



- Flexibility is a successful retention tool for women and mature workers to manage family responsibilities and retirement goals.
- Internal surveys demonstrate the linkage between flexibility and higher employee engagement, which translates into increased productivity and better customer service.
- Companies are adopting flexible work cultures to be more inclusive and more responsive to the needs of customers and employees, and to meet the demands of the global economy.

## Flexibility Work Practices

In financial services companies, professional-level and non-exempt staff usually have access to the same array of both regular flexible work arrangements (including flextime, telework, compressed workweeks and part time) and occasional flexibility (shifting work hours on a daily basis or just occasionally, occasional work at home, time-off in part-day increments), although telework, in particular, is not feasible for certain positions. Usage is typically higher in administrative and logistical functions than it is in retail branch banking or on the revenue side in investment banks. Some innovative uses of flexibility include:

- Compressed work weeks and voluntary part time to expand coverage.
- Enabling professionals with long hours to have one half day per month to take care of personal matters.
- Remote work to attract key talent from other geographic areas.
- Telework and open space work environments to reduce real estate costs.

## Impacts

Companies' process measures, financial analyses, employee surveys, and HRIS metrics indicate that workplace flexibility has positive impacts on recruitment, retention and engagement, and neutral or positive impacts on productivity, profitability and customer satisfaction. Impacts include:

- Improved productivity from increased focus and efficiency, expanded coverage and time saved on commuting.
- Higher employee engagement, satisfaction, recruitment success and lower turnover.
- Favorable financial return on investment in IT and real estate reconfiguration.
- Positive effects on green metrics of paper consumption, gas consumption and traffic congestion.

## Success Factors

Companies have found that successful implementation of flexibility in financial services firms depends upon **leadership support in words and action, manager training, having the right technology and tools, results-orientation, openness to new ways of working, measurement and linkage to business metrics, ongoing support and coaching from HR, communication, and alignment with business objectives.**

## Challenges

Managers' attitudes are an ongoing challenge. Without adequate training and tools, concerns about performance management and loss of control persist. The highly regulated nature of the industry necessitates a high level of technology infrastructure to support remote work or telework. The nature of work on the trading floor means that certain types of flexibility may not be possible, and some employees and managers question whether using flexibility may jeopardize advancement opportunities or job security.

## 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](http://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.

