



Principles for a 21st Century Workplace Flexibility Policy

The Society for Human Resource Management (SHRM) believes the United States must have a 21st Century workplace flexibility policy that meets the needs of *both* employees and employers. It should enable employees to balance their work and personal needs while providing predictability and stability to employers. Most importantly, any policy must encourage – not discourage – the creation of quality new jobs.

Rather than a one-size-fits-all government approach, where federal and state laws often conflict and compliance is determined under regulatory silos, SHRM advocates a comprehensive workplace flexibility policy that, for the first time, responds to the diverse needs of employees and employers and reflects different work environments, union representation, industries and organizational size.

For a 21st Century workplace flexibility policy to be effective, SHRM believes that all employers should be encouraged to provide paid leave for illness, vacation and personal days to accommodate the needs of employees and their family members. In return, employers who choose to provide paid leave would be considered to have satisfied federal, state and local leave requirements. In addition, the policy must meet the following principles:

Shared Needs – Workplace flexibility policies must meet the needs of both employees and employers. Rather than an inflexible government-imposed mandate, policies governing employee leave should be designed to encourage employers to offer a paid leave program (i.e., illness, vacation, personal days or a “paid time off” bank) that meets baseline standards to qualify for a statutorily defined “safe harbor.” For example, SHRM envisions a “safe harbor” standard where employers voluntarily provide a specified number of paid leave days for employees to use for any purpose, consistent with the employer’s policies or collective bargaining agreements. In exchange for providing paid leave, employers would satisfy current and future federal, state and local leave requirements. A federal policy should:

- Provide certainty, predictability and accountability for employees and employers.
- Encourage employers to offer paid leave under a uniform and coordinated set of rules that would replace and simplify the confusing – and often conflicting – existing patchwork of regulations.
- Create administrative and compliance incentives for employers who offer paid leave by offering them a safe-harbor standard that would facilitate compliance and save on administrative costs.
- Allow for different work environments, union representation, industries and organizational size.
- Permit employers that voluntarily meet safe harbor leave standards to satisfy federal, state and local leave requirements.

Employee Leave – Employers should be encouraged voluntarily to provide paid leave to help employees meet work and personal life obligations through the safe harbor leave standard. A federal policy should:

- Encourage employers to offer employees with some level of paid leave that meets minimum eligibility requirements as allowed under the employer’s safe harbor plan.
- Allow the employee to use the leave for illness, vacation, personal and family needs.
- Require employers to create a plan document, made available to all eligible employees, that fulfills the requirements of the safe harbor.
- Require the employer to attest to the U.S. Department of Labor that the plan meets the safe harbor requirements.

Flexibility – A federal workplace leave policy should encourage maximum flexibility for both employees and employers. A federal policy should:

- Permit the leave requirement to be satisfied by following the policies and parameters of an employer plan or collective bargaining agreement, where applicable, consistent with the safe harbor provisions.
- Provide employers with predictability and stability in workforce operations.
- Provide employees with the predictability and stability necessary to meet personal needs.

Scalability – A federal workplace leave policy must avoid a mandated one-size-fits-all approach and instead recognize that paid leave offerings should accommodate the increasing diversity in workforce needs and environments. A federal policy should:

- Allow leave benefits to be scaled to the number of employees at an organization; the organization’s type of operations; talent and staffing availability; market and competitive forces; and collective bargaining arrangements.
- Provide pro-rated leave benefits to full- and part-time employees as applicable under the employer plan, which is tailored to the specific workforce needs and consistent with the safe harbor.

Flexible Work Options – Employees and employers can benefit from a public policy that meets the diverse needs of the workplace in supporting and encouraging flexible work options such as telecommuting, flexible work arrangements, job sharing and compressed or reduced schedules. Federal statutes that impede these offerings should be updated to provide employers and employees with maximum flexibility to balance work and personal needs. A federal policy should:

- Amend federal law to allow employees to balance work and family needs through flexible work options such as telecommuting, flextime, part-time, job sharing and compressed or reduced schedules.
- Permit employees to choose either earning compensatory time off for work hours beyond the established work week, or overtime wages.
- Clarify federal law to strengthen existing leave statutes to ensure they work for both employees and employers.

The Society for Human Resource management (SHRM) is the world’s largest association devoted to the human resource profession. Founded in 1948, SHRM represents 250,000 human resource professionals in thousands of small and large employers representing every sector of the U.S. economy.