

Using "Flexible Work Environments" to Save Your Bottom Line

A presentation by:

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What are flexible work arrangements?

Flexible work arrangements can be an excellent alternative to pay freezes or layoffs to maximize your labor budget.

During this presentation, we are going to be looking at three different types of flexible work arrangements.

- Purchased Leave/Sabbaticals
- Alternative Schedules
- Change in Work Location

Purchased Leave/Sabbaticals



- Leave is scheduled in advance
- Employee Retention
- Reduces Labor Costs
- Increased Energy and Motivation

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A leave of absence, with or without pay, can be used for rest and to acquire new skills or training.

Here's an example of a purchased leave arrangement: instead of working the conventional 52 weeks on full salary (which includes some sort of paid vacation), employees work a 48 week year with loss of salary spread over the entire year.

Benefits:

- This leave is typically scheduled in advance so scheduling arrangements can be made
- Retain employees that need extra time off for family/personal matters
- Reduction of labor costs
- Employees return feeling energized and motivated

Things to Consider

- Method to document and track
- May require some coordination to cover for employees while on leave
- Be sure you have a well documented policy as well as eligibility requirements clearly defined

Alternative Scheduling



- Part-time Work
- Job Sharing
- Flexible Shift times



This can include part-time work, job sharing, flexible start/end times or compressed work weeks.

Part-time work can be a great option to phase return from an extended leave, or to accommodate fluctuating work loads.

Job sharing arrangements can be tailored to suit a variety of circumstances. Job sharers could work at different locations to provide coverage. Some job share arrangements could accommodate a brief overlap of time when both employees are at work. In other job share arrangements, employees might not cross paths but have other ways to communicate important information.

Flexible shift and work week arrangements enable an employee to work around their personal schedule without taking time off.

Benefits:

- Effective way to cover peak work times and match your staffing requirements to your workflow
- Hours can be tailored to meet both the employer and employee's needs
- Full time positions can be retained by balancing multiple responsibilities
- Great way to add coverage during an employee's absence
- (In case of job sharing) give diverse perspectives to one job

Things to consider

- Method to track and analyze
- Schedule coordination
- Requires management to monitor and modify policy as needed



The slide features a dark red header with the title "Changes in work location" in white. Below the header is a white background containing a photograph of a woman in a white dress sitting on a rock, using a laptop, with mountains in the background. To the right of the photo is a bulleted list of benefits. In the bottom right corner of the slide is the TimeMD logo with the tagline "Saving Every Minute".

Changes in work location

- Increased productivity
- Improved morale
- Employee retention
- Increased use of technology

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Employees work from home or another remote location.

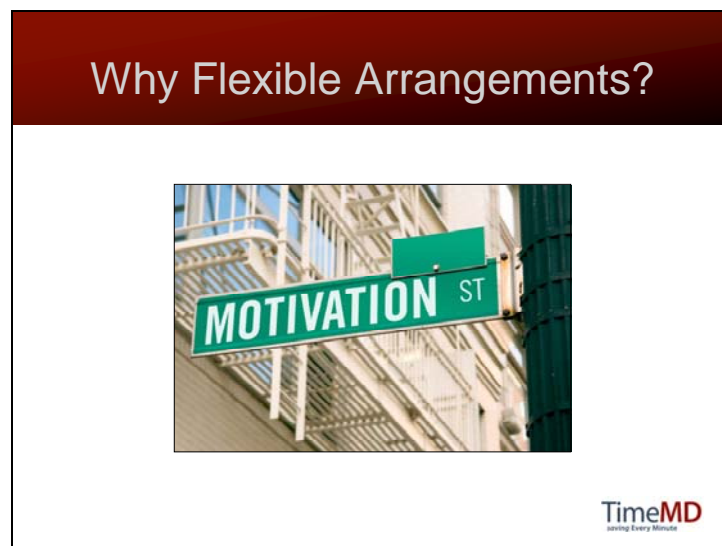
Telecommuting arrangements can cover a wide range of schedules. In some situations, there is a requirement to spend part of the work week at the regular work place. This ensures communication, minimizes isolation and provides access to resources that are only available at the work place.

Benefits:

- Increased Productivity
- Improved morale/motivation
- Decreased absenteeism
- Retention of valued employees

Things to consider:

- Tracking/reimbursing home office costs
- Tracking hours worked
- Project tracking/management
- Communication plan

**Benefits for employees**

- Greater job satisfaction
- Reduce stress and helps to eliminate burnout
- Flexibility to meet family needs, personal obligations
- Increased feeling of personal control over schedule and work environment

Why Flexible Arrangements?



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Benefits for your company

- Improved employee retention
- Reduced absenteeism
- Better workplace cooperation
- Increased talent pool
- Reduced work place service costs

Guidelines for Success

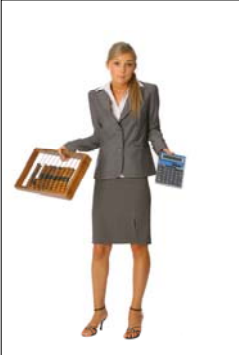


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- Make sure the arrangement supports both your company and clients.
- Ensure the employee's performance history supports the demands of the arrangement.
- Develop performance targets and reviews to ensure cost efficiency.
- Ensure job tasks can adapt to the new arrangement.

- Implement technology to prevent increased administrative costs.
- **MUST HAVE LEADERSHIP BUY IN!** Support from your managers is critical for the successful implementation of flexible work practices.

Guidelines for Success



- How do I manage what I cannot see?
- How do I track the new scheduling and leave arrangements?

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Traditionally managers have had the following concerns when implementing any of the flexible work arrangements shared in this presentation.

- How do I manage what I can't see?
- How am I supposed to track/manage the new scheduling and leave arrangements?

It is crucial to give your managers the tools they need in order to coordinate these new arrangements. Not only will it help manage their employees and resources, but it will help you evaluate and measure success. Managers should have the tools necessary to measure performance by results rather than what they can see.

Purchased Leave/Sabbaticals



- Automated system to track your leave policy
- Web-based and employee self-service
- Policy Modifications

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Requirement: A system that can track the leave policy your organization designs.

You don't want to increase your administrative costs by trying to juggle this manually. If you are currently using software to track your paid time off policy, make sure it can track unpaid leave. You may also want to make sure it is flexible enough to accommodate the policy that works best for your company. Finally, it may be important to know if the solution can track multiple policies. In some cases, you may need to provide more than one option to your employees.

Requirement: A web-based system with employee self-service.

You will need a system both employees and managers can use outside your regular place of work. Employees are free to look up how much paid and unpaid time off they have without interrupting you or your managers. If employees can put in their leave requests, this will help managers tremendously, regardless of your policy for approval. Some companies treat time off as "first come first serve," or seniority may be involved. Either way, being able to view requests in real time will simplify this for managers and ensure fairness.

Requirement: The ability to make policy modifications as needed.

Sometime it takes some trial and error before you get the policy right. After rolling out the plan you may realize you need to fine tune certain areas. Make sure you can update this in your system as needed without being charged additional fees from your provider.

Alternative Scheduling



- Automated scheduling system
- Web-based and employee self-service
- Shift swapping

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Requirement: A scheduling system that allows multiple shifts to be tracked.

Using a scheduling system that can accommodate the shifts your employees work can simplify this task, as well as help your managers make crucial scheduling decisions. If you are currently using a scheduling system, make sure it can accommodate the shifts that you have negotiated with your employees, and that it's easy to make changes.

Requirement: Tracking shift swapping between employees.

If employees can swap shifts with other employees through an online portal, it reduces the time your managers might spend coordinating the different requests. It also creates the potential of making your employees more accountable. In some cases, certain employees may not need approval for swapping shifts. As long as it's documented you should have the option to give your employees more freedom.

Changes in work location



- Web-based time tracking application
- Job/project tracking
- Ease of use

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Requirement: Web-based time tracking application.

Employees that are working off-site will need a way to clock in/out or submit a timesheet to payroll. We've found that a web-based system is the most productive and cost effective way to do this. These types of systems eliminate the "lost time card" and makes payroll easier, faster and more accurate.

Requirement: Ability to track time to multiple jobs and or projects.

This type of reporting is going to tell you HOW employees are spending their time. Your managers should know as soon as the employee clocks in what they are working on. Managers should have consolidated labor information to review, approve and make informed decisions.

Requirement: Ease of use.

This applies to everything outlined in this presentation. Management at all levels should be able to easily and effectively navigate within the system and find the information they need.

Legally Sound



DOL Fall 2009
Regulatory Planning
meeting

In addition, the proposal
intends to **modernize
the requirements**,
consistent with the
increasing **emphasis on
flexi-place and
telecommuting**.

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On Monday, Dec. 7, the Department of Labor (DOL) rolled out its regulatory agenda for 2010.

One item specifically pertains to the topics in this presentation:

“The DOL intends to update the recordkeeping requirements to foster more openness and transparency in demonstrating employers’ compliance with applicable requirements to their workers, to better ensure compliance by regulated entities and to assist in enforcement.

In addition, the DOL intends to modernize the requirements, consistent with the increasing emphasis on flexi-place and telecommuting.”

In the past, flexible work arrangements have primarily been for salary/exempt employees. Fortunately, technology is now allowing us to implement these types of arrangements into your non-exempt workforce. It is critical to ensure compliancy with the Department of Labor and have the records to back that up. Now is the time to make sure you are one step ahead and make the necessary preparations to meet any additional record keeping requirements.

So now what?



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You should carefully evaluate the technology behind whatever software system you might choose. The right choice could save you thousands of dollars over the life of the system. Pick the wrong technology and you may be forced to update your system at a later date.

Unfortunately when it comes to adopting new policies or solutions, it can be overwhelming. For this reason many companies choose to push forward with the status quo hoping for the best. This brings to mind the metaphor of the best way to boil a frog. Just as the heat rises in the pot, so do the inefficiencies of choosing not to adopt more efficient systems. Before long, many companies find themselves "boiled to death".

So now what?



- Define clear requirements
- Leadership buy-in
- Choose the right consultants

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- Start off by making sure you have a clear idea of the requirements you need. Find out what the capabilities of the package you select truly are before you make a decision.
- Make sure you have leadership buy-in
- Good consultants will help you identify from where the true cost savings come. Find out if they have experience in this area and can justify the cost of the software and specific implementation alternatives.