



Workplace Flexibility: A Strategic Business Approach for an Inclusive Workplace

Workplace flexibility is becoming an increasingly useful approach to assist businesses in managing productivity by applying variable options for when, where, and how work gets done. Also called flexible work arrangements, workplace flexibility strategies offer companies avenues to create supportive, inclusive, and diverse workplaces for all workers (minorities, veterans, mature workers, the LGBT population, and individuals with disabilities.)

According to the Work and Family Researchers Network, almost 80 percent of companies allow some employees to use various flexible work arrangements with 37 percent allowing all or most employees to do so (Galinsky, E., Bond, J., & Sakai, K., 2008, National Study of Employers, Alfred P. Sloan Foundation, New York, NY).

What is Workplace Flexibility?

Workplace flexibility is an innovative approach to human resource management that enables both individual employee and business needs to be optimally addressed by:

- Making changes to the time *when* employees work, such as re-scheduling hours worked, altering shift and break schedules, or compressing the number of hours worked each week;
- Allowing options for *where* an employee works, such as when an employee telecommutes from home or an alternative location all or part of the time; and
- Changing *how* employees work, or what job tasks they perform, such as when two or more employees share the responsibilities of one-full time job, when some job tasks are re-assigned from one position to another to allow greater productivity, or when new job tasks are identified outside of existing job descriptions.

What Is the Benefit of Incorporating Workplace Flexibility Practices to Business?

Workplace flexibility can facilitate effective return-to-work for employees on maternity, family, medical, or disability leave, as well as returning veterans. Companies that use workplace flexibility models find that doing so expands the recruitment of diverse employees, reduces absenteeism, improves employees' health, and increases the retention of productive employees. Some examples are the following:

- Costco achieved a turnover rate that is one-third the industry average of 65 percent;
- UPS launched a telecommuting program at its corporate headquarters, increasing productivity by 17 percent;
- First Tennessee Bank reported savings of \$3 million in turnover costs and customer retention was 96 percent compared to the industry average of 87 percent. --Both improvements translated into \$6 million in profit over two years' time.

Furthermore, workplace flexibility is often beneficial in making a company the “employer of choice” for the most qualified workers in competitive, high-demand industry sectors (President’s Council of Economic Advisors, 2010, Work-Life Balance and the Economics of Workplace Flexibility).

The Federal government is using workplace flexibility strategies through its implementation of the Telework Enhancement Act of 2011. This Act requires each Federal agency to establish telework policies, designate a telework managing officer, and incorporate telework into continuity-of-operations planning. In addition, Executive Order 13548 (issued on July 26, 2010) directs Federal executive departments and agencies to improve their efforts to employ Federal workers with disabilities through increased recruitment, hiring, and retention and submit their plans to the Office of Personnel Management (OPM). One strategy OPM recommends for agencies to become a model employer of people with disabilities is to “use and publicize workplace flexibility strategies such as telework, flexiplace, and flextime, including the availability of these flexibilities for people requiring reasonable accommodations, to enhance employment opportunities for individuals with disabilities” (John Berry, Director, OPM, Memorandum for Heads of Executive Departments and Agencies, 11/08/2010).

Workplace Flexibility strategies also can directly or indirectly help employers meet the goals of the Americans with Disabilities Act (ADA), as amended; Section 503 of the Rehabilitation Act of 1973 (Section 503); the Vietnam Era Veterans’ Readjustment Assistance Act (VEVRAA); and Executive Order 11246, which promote workplaces that are inclusive of and free from discrimination against women, racial, ethnic, and religious minorities, and people with disabilities, including veterans with disabilities.

Section 503 requires that companies receiving Federal contracts or subcontracts that exceed \$10,000 not only meet nondiscrimination obligations, but also take affirmative action to hire, retain, and promote qualified workers with disabilities. Newly released regulations under Section 503 establish a nationwide 7% utilization goal for the employment of qualified individuals with disabilities. Similarly, VEVRAA requires covered Federal government contractors and subcontractors to take affirmative action to employ and advance specified categories of veterans protected by the Act and prohibits discrimination against such veterans. Newly released regulations under VEVRAA establish annual hiring benchmarks for protected veterans. In addition, private companies, nonprofits, and State and local government employers must provide reasonable accommodations to qualified individuals with disabilities as mandated by the ADA, and some local governments require affirmative action for people with disabilities. Executive Order 11246 requires that companies receiving federal contracts do not discriminate and take affirmative action to ensure that all individuals have an equal opportunity for employment, without regard to race, color, religion, sex, and national origin.

Offering workplace flexibility to all employees may address needs for many employees with complex life situations, including people with disabilities.. For example, an employee without a disability may need a flexible schedule to arrange for child care, and an employee with a disability may need a flexible schedule to take rest breaks during the work day while still working the employer’s required number of hours. Workplace flexibility, however, should not be viewed as a substitute for the right to receive reasonable accommodations or the right to take unpaid self-care or caregiver leave. Rather, workplace flexibility is an additional tool that employers can provide to help all their employees achieve success in the workplace and balance in their lives.

Getting Started: Introducing the Department of Labor’s Workplace Flexibility Toolkit

The U.S. Department of Labor’s Office of Disability Employment Policy (ODEP) offers a unique collection of workplace flexibility resources to help employers, employees, policymakers, and researchers. The [Workplace Flexibility Toolkit](#) provides useful information searchable by time, place, and task; reports; case studies; employer research; policies; links to other workplace

flexibility toolkits and websites; and a FAQs section that responds to key employer, employee, researcher, and policymaker questions. As new resources are identified, the toolkit will be updated to provide the most current information on workplace flexibility.

The toolkit expands available strategies for meeting the Federal requirements for employment nondiscrimination and affirmative recruitment of individuals with disabilities in a way that also will help companies meet productivity and operational needs. Some examples are the following:

- An ongoing national survey of employers found that half of the accommodations provided were at no cost to the employer, with many employers identifying “changing a work schedule” as a no-cost accommodation” (Job Accommodation Network. (2005). *Work Accommodations: Low cost, high impact*. Morgantown, WV).
- A Federal study found that flexible work schedules were an important accommodation for maintaining workforce attachment for workers with disabilities (U.S. Department of Health and Human Services. (2001). *Research on Employment Supports for People with Disabilities: Summary of the Focus Group Findings*. Washington, DC).
- Workers who received accommodations following the onset of a disability were significantly less likely to apply for Social Security Disability Insurance benefits (Burkhauser, R. Butler, J. S., & Weathers II, R. (2001). *How Policy Variables Influence the Timing of Social Security Disability Insurance Applications—Policy Brief*. Ithaca, NY: Employment Disability Institute).

As illustrated here, of the many tools employers use to enhance the productivity and experience of all workers, increasing workplace flexibility is fast becoming one viable solution for building a satisfied inclusive and diverse workforce for the betterment of all.