

Productivity in the Workplace: Flexi- Time and Flexi-Place Arrangements

Announcements such as that of Sir Richard Branson to allow employees of his businesses unlimited vacation leave, adds fuel to the debate regarding new approaches in ensuring well motivated and productive staff. Concurrently demand by workers and experimentation by employers of flexi-time and flexi-place work arrangements are increasingly becoming featured in the international workplace productivity debate. In light of these factors this piece intends to explain what flexi time and place worker arrangement are in addition to their perceived advantages and disadvantages.

Flexi-time arrangements refer to instances whereby staff are mandated to be physically present on the job for a minimal core period of time but are free to vary their arrivals and departures subject to achieving work outputs while flexi-place arrangements provide staff members the option of working from home or elsewhere for a predetermined length of time.

Proponents of both approaches argue that these arrangements result in healthier and happier employees which should redound to them being more productive while at the same time lowering staff turnover. Furthermore these arrangements are perceived to allow for better work-family relationships and consequently enhance the overall psychological wellbeing of the employee. Opponents however note that the lack of supervision of staff may hinder work quality while inadequate communication stymies workplace cohesion and idea generation. So who is right?

Cisco (a large US technology firm) announced in 2009 that a survey of 2,000 employees after the implementation of flexi-place and telecommuting initiative showed significant savings for the company and employees. These savings reflected the fact that employees no longer had the expense of commuting to work while the company benefited from increased output. Cisco further

noted that 69.0 per cent of employees when questioned cited “higher productivity” by working remotely (from home) while 80.0 per cent noted an improved quality of life through telecommuting. Meanwhile a longitudinal data study of 659 Best Buy employees by the University of Minnesota following the company’s implementation of a Results Only Work environment (i.e. flexi-place and time) showed that workers reported improved energy levels, reduced emotional exhaustion and psychological distress. Interestingly however this approach was ended by a new management team (see below). Another bit of research, this time by the American Sociological Review in a randomized control setting assessed employees (700) of an IT company who benefited from a pilot flexibility program versus those who weren’t offered the program. The findings of that study showed that participants felt like they had improved work-life balances and consequently were less stressed and capable of focusing on attaining work goals.

Despite these perceived benefits and examples, both Yahoo and Best Buy Inc in the recent past have curtailed these programs with Best Buy citing a need for an “all hands on deck” approach to achieving targets and Yahoo echoing the same sentiment and citing the need for more communication and collaboration. It remains to be seen what impact this reversal has had on worker productivity.

The International Labour Organization (ILO) in an attempt to shed light on the topic collated and synthesized research of “*new work schedules*” (defined as instances whereby employers provide some discretion to staff in adjusting length and or scheduling of work) to educate the public on what research has shown of their (flexi-time and place arrangements) impact on productivity and firm performance. The conclusion from this synthesis was twofold firstly that productivity doesn't necessarily increase when hours are lengthened (although total output does) and that shorter hours appeared positively associated with higher output rates per hour. Secondly the synthesis showed

two observed benefits of new "work schedules" (i.e. flexi time and place) the first centered on such arrangements restraining unit labour cost by lowering absenteeism and work hours and the second being their ability to improve employee health and wellbeing which enhances job satisfaction and saves on hidden cost associated with staff turnover and low returns on human capital outlays.

Nonetheless there is some scope to be critical of flexi-time and place arrangements as most studies which exalt their benefits often do so from the subjective viewpoint of surveying the employee but doesn't elaborate on the specific channels through which flexible arrangements affect productivity.

In closing flexi-time and place work arrangements are just two of many approaches being explored by firms to improve worker satisfaction and arguably raise worker productivity. The debate however does not appear to be definitely won by either proponents or opponents and therefore falls to experimentation by employers and employees to see if the approach works for them. In the Caribbean and indeed globally prior to considering such an approach a firm and or employees should first assess;

- The type of work done i.e. whether front line workers such as customer service representatives vs. researchers or writers are employed,
- Type of employee: Employees that are intrinsically motivated and requires little supervision vs. employees needed constant supervision to perform
- Individual Circadian rhythm or "body clock" : some people are more productive in the morning while others are most productive in the evening. The use of flexi time allows the individual to work during the time which they are most productive and reduces "dead time".

The key point however is that the effectiveness of any arrangement can only be assessed if measurement and evaluation is undertaken. Managers therefore need to set measurable targets and timelines for the delivery of targets.