Work-Life Balance Issues: Changing When and How the Work Gets Done

Carol P. Harvey
Assumption College

Because the 21st century labor force includes more working women, more fathers who want to be involved in their children's lives, more single parents, and more people who are responsible for caring for an elderly relative or person with a handicap, and more older workers, there is an increasing interest in more flexible work schedules. Ninety percent of the companies interviewed in a 2009 Hewitt Associates survey cite work-life balance issues as the leading reason that their workers wanted more flexible work arrangements such as job-sharing, temporary leaves, compressed work weeks, telecommuting, phased retirement, on and off ramps and part-time employment.

Many countries have more progressive work-life laws and organizational policies than the United States where the only federal legislation is the Family Medical Leave Act that grants *unpaid* leave. Globally, particularly in the European Union, longer vacations, paid maternity/paternity leaves, subsidized child care, etc., are more common. "While U.S. companies generally offer work-life programs as a competitive advantage the EU mandates them as a function of social responsibility" (Joshi et al., 2002, p. 16).

THE BUSINESS CASE FOR WORK-LIFE BALANCE

Offering workplace flexibility relates directly to the business case for diversity because such policies attract a larger and better pool of potential applicants, decrease stress, burnout, absenteeism and turnover, salary expenses and increase employee satisfaction, customer service, organizational commitment, and motivation. For example, Deloitte & Touche, the global accounting firm, saved $41.5 million in employee turnover costs by retaining employees through their flexible work programs (Corporate Voices, 2005). A 2000 study by the Center for Work & Family "found that 70% of managers and 87% of employees reported that working a flexible work arrangement had a positive or very positive impact on productivity" (2000).

When work-life balance issues are *not* addressed there can be organizational costs. A survey by Work-Life Benefits Consultants found that more than 25% of all employee absences were caused by family issues. "For every $1 an employer spends in helping employees balance

their home and work lives, the company will get a return investment of $3 to $4 in work hours saved, insurance costs, sick leave, decreased absenteeism and fewer on-the-job injuries" (Ortiz, 2006).

Although there has been an increase in the number of organizations that offer flexible working arrangements, actual implementation and usage are not always easy to achieve due to the "implementation gap" i.e., the resistance of organizational cultures to change. "When the culture is not supportive of these initiatives, they rarely succeed" (Van Deusen, James, Gill, & McKechnie, 2008, p. 5). The 2008 Workplace Flexibility study from the Boston College Center for Work & Family found that flexible work arrangements are highly dependent on management's perceptions about the worker's ability to continue to meet the needs of the job and are often available only after a worker has gained her manager's trust and successfully negotiated the working arrangements. A Catalyst study revealed that 91% of women and 94% of men surveyed, said that flexible work options were available to them for family emergencies or personal matters. However, only 15% of the women and 20% of the men felt that they could use these options without jeopardizing their careers.

Additional objections to flexible work arrangements include resentment from employees who may not be eligible for such schedules, supervision concerns, difficulties in scheduling meetings, and staffing-level issues during peak times (Carlson, 2004). The 2007 Work-life Evolution Study concluded that "Work-life and flexibility still face skepticism in terms of their impact on the bottom line" (p. 20). Additionally, even many of the organizations that do have flexible work policies indirectly discourage their use for male employees and/or fail to promote those who take advantage of such options (Frankel, 2007).

WORK-LIFE BALANCE: PARENTAL ROLES AND CARE GIVING

Work-life as a diversity issue results from changing gender roles, new family structures, differences between generational values that conflict with traditional work schedules and older employees financially unable or personally unwilling to retire. Women, who now receive 57% of the bachelor's degrees and 60% of the master's degrees awarded each year, comprise 50% of the U.S. workforce (Harrington, Deusen, & Ladge, 2010). Both parents work in over 70% of two-parent households and only 20% of U. S. families with children still have a working father and a stay at home mother (Boushey & O'Leary, 2009). "The traditional family structure has been replaced mainly by dual-career couples and single heads of household (20%) where the single parent is employed" (Boston College Center for Work & Family, 2008).

However, because so many women with children are now working, "work-life integration is no longer just a women's issue: it's a workforce issue" (Sally Helgesen in Prokopeak, 2010). A study conducted by the Boston College Center for Work & Family revealed that today's fathers want more involvement in raising their children but that there is less organizational support for men than women to take on childrearing responsibilities (Harrington, Van Deusen, & Ladge, 2010). U. S. organizations

> Have yet to come to terms with what it means to live in a nation where both men and women typically work outside of the home and what we need to do to make this new reality workable for families who have child care and eldercare responsibilities throughout most of their working lives (Boushey, 2009, p. 31).

Even when the childbearing years are over, there may still be a need to balance work responsibilities with the care of elderly relatives or those with a handicap. Currently, forty-four million people or over 21% of all U.S. households provide care for an older family member or one with a handicap. A 2006 study conducted by MetLife and the National Alliance for Caregiving estimated that the annual lost productivity costs to U. S. employers is $17.1 billion due to turnover, absenteeism, workday interruptions and medical crises involved with care giving responsibilities. For an organization, the estimated total cost to replace a worker usually ranges from one to one and half times his annual salary.

Even those without current family or caregiver responsibilities may value the option of a more flexible work schedule. A survey by the Center for Work-Life Policy found that "87% of baby boomers and 89% of Generation Y workers said that flextime was important to them and a key motivating factor" (Hewitt Associates LLC, 2010).

WORK-LIFE BALANCE: FLEXIBLE WORK MODELS

Today, many mature workers are also interested in continued employment past their traditional retirement age but they seek a more flexible work schedule that allows more time for travel, grandchildren, hobbies and volunteer work. Due to the prevalence of Baby Boomers, in 2010 there were 26.6 million workers over age fifty-five in the U.S. While this age group is healthier and more active, than previous generations, most are not eligible for traditional pension plans and experienced declining retirement portfolios and home values in the recent recession. As a result, by 2012 nearly 20% of the U.S. workforce is expected to be 55 or older and 50% of those 65 and older will be working or are actively seeking employment. "By the year 2020, there will be 27.7 individuals aged 65 and older for every 100 working adults: this ratio will represent a 28% increase in just two decades" (Challenger, 2005). With more people living longer, 79–83 years for men and 83–86 years for women but fewer workers contributing to the Social Security and Medicaid programs, these demographics could place an enormous economic strain both on the federal budget and the growth of American business.

According to the American Association of Retired Persons (AARP) 68% of the workers age fifty to seventy plan to either continue working past their traditional retirement age or to continue to work in some different capacity than their current job. However, only 17% wanted to work full time, the remainder wanted more flexible scheduling (2007).

While it would seem advantageous in terms of the economy and the business case for diversity to develop more programs to keep older workers employed and contributing to Social Security longer, several factors account for the failure of many businesses to capitalize on the talents of this segment of the workforce. In a survey of middle to large sized employers, the Watson Wyatt consulting firm found that only 16% of the organizations surveyed had some type of flexible program for older workers and 70% had simply not seen the need for such programs (Watson Wyatt Worldwide, 2004). In addition, negative perceptions and stereotypes about older workers such as their being inflexible, less productive, hard to manage, more costly and lacking and/or unwilling to learn new technology still prevail. Other employers may try to avoid hiring older employees because of a fear of age discrimination lawsuits. In addition, current federal regulations regarding pension benefits and contributions under ERISA legislation (Employment Retirement Income Security Act) and the IRS are outdated and may complicate adopting these innovative programs.

Best Practices

- At **Accenture**, the outsourcing and consulting company, employees can take advantage of the "Future Leave" program. This is a self-funded sabbatical program that allows workers to defer their earnings and to draw on those funds while not working (Jewell, 2008).
- **Continental Airlines** reservation department has an annual turnover rate of 5% while the industry rate is 40%. Continental's 600 agents can work from home and also take advantage of an Expanded Shift Program that allows 25% of the staff to have three or more days off on a rotating basis (Galinsky, Elby, & Peer, 2008).
- At the **Raytheon Company**, a defense, security and aerospace supplier, employees have the option of working 80 hours over nine days and taking every other Friday off from work (Raytheon, 2010).
- **AstraZeneca Pharmaceutical** offers its sales reps the options of job sharing and part-time schedules. Productivity metrics such as number of calls, presentations and sales yields indicated that these workers compared favorably with the full time sales force (Corporate Voices, 2005).
- **1-800CONTACTS** has reduced employee turnover by implementing a phone system that allows its call center workers to take sales and customer service calls from home (Galinsky, Elby, & Peer, 2008).

WORK-LIFE BALANCE: REDEFINING "RETIREMENT"

Traditionally, retirement used to mean leaving one's job completely and relying on defined benefit pension plans and Social Security for support. Soaring health costs, increased longevity, more reliance on self-managed defined contribution retirement plans instead of guaranteed income streams, low savings rates, and a desire to try a new occupation or self-employment has changed this concept for older workers. Today, retirement in stages, called "working retirement," is gaining in popularity (Cahill, Giandrea, & Quinn, 2006). In a recent survey, the American Association of Retired Persons (AARP) found that 70% of workers over forty-five plan to seek part-time work or flexible schedules or to never retire at all (AARP, 2007). A survey commissioned by MetLife revealed that the primary reasons for older workers to continue employment are that they either need the money (60%), or want to stay active (45%). However, motivators and needs varied among older workers depending upon their life stages. While workers 60–65 year-old value job design and flexible work schedules, workers 66–70 are more interested in meeting their needs for social interaction and mental stimulation (DeLong & Associates, 2006).

Some organizations offer **Phased retirement** programs which is a workplace plan that allows workers of a specified age to gradually reduce the hours that they work for their *current* employer. Such programs allow employers to maintain a trained workforce while employees can have more free time and a gradual transition to full retirement. Phased retirement works best when it ties to an organization's mission and objectives. For example, meeting the specific labor force needs for increased staffing during seasonal peaks, or to complete project-based work, etc. is a win-win situation in terms of the business case for diversity and for older workers. The company gets knowledgeable trained workers who already know the culture and procedures of the organization and the older workers are able to work fewer hours.

WORK-LIFE BALANCE: MATURE WORKERS

The following box provides some win-win examples of organizations that offer flexible workplace options that also benefit the company while presenting support for the business case for employing older workers.

Best Practices

- **Mercy Health System**—Since skilled employees in the healthcare industry, particularly nurses, are in short supply and 50% of all nurses in the U.S. will reach the traditional retirement age by 2015, Mercy Health System, located in Janesville, Wisconsin, provides an example of an organization that has linked its mission and needs to the flexible utilization of mature workers. They offer such innovative schedules as a Weekender Program—work only weekend shifts and a Traveler Option—work on a 6–13 week assignment (AARP, 2006).
- **The Vita Needle Company** is located in a former theater in Needham, MA where this 4th generation family business manufactures high quality reusable needles and fabricated stainless steel products. Most of Vita Needle's employees are part-time senior citizens averaging 74 years of age. Employing seniors who already have Medicare coverage saves on health benefits. The workers' hard work ethic and a commitment to quality production has allowed Vita Needle to compete successfully with global manufacturing competition by keeping quality high and manufacturing costs low. President Fred Hartman credits "the company's success to "this dedicated low-tech workforce that is behind Vita Needle's high-tech success" (Employees inject vitality, n.d.). What makes Vita Needle unique is that the management has structured the work around the employees' needs and lifestyles, which Hartman describes as the "ultimate flex-time." Each worker has a key to the building and can come and leave according to their needs as long as the work gets done.
- **CVS/Caremark**—the pharmacy giant employs over 107,000 people and 18% are older workers. This organization offers a unique "Snowbirds" program that allows workers to transfer from a cold northern climate to a store in the South and Southwest during the winter months and then transfer back to their original store in the spring. Not only does this help CVS to retain employees who want to winter in warmer climates but it also staffs these stores with the extra already trained employees needed to accommodate increased consumer demand from these yearly population shifts (Gardner, 2006).
- **L.L. Bean**—This Freeport, Maine based clothing and sports equipment retailer, encourages its 861 retirees to return to work when seasonal orders peak (AARP, 2006).
- **Monsanto**—Since 1991, Monsanto has maintained a database of retired workers who want to work part-time, full time or on special assignments. Currently, 66% (200) of them have work assignments (Fetterman, 2005).
- **The Aerospace Corporation** located in El Segundo CA conducts federally funded defense and aerospace research for the government. Because of the complexity of their projects, retention of scientists and engineers with security clearances is vital.

"We don't manufacture anything. Our greatest asset is the technical expertise of our people" (The Aerospace Corporation, 2007). Approximately one half of Aerospace's 3500 workers are over fifty. Consequently, the organization offers four options for retaining their highly skilled workforce past traditional retirement ages: phased retirement, pre-retirement leaves of absence, part-time status in preparation for retirement, and post retirement employment on a "casual" basis, i.e. recalling employees with particular skills during times of peak demand for particular skills (aero.org).

Innovative Ideas: 10 Til 2—Part-Time

A Denver, Colorado, placement firm, 10 til 2, bases its business model on matching college-educated parents and older workers needing flexible work schedules, with organizations that will hire on a part-time long-term basis. Started by four stay-at-home mothers, 10 til 2 considers its business model "win, win, win, win." Workers get flexibility and organizations get access to an experienced, college-educated talent pool. Job listings on the website include a range of positions such as a graphic artist, event planner, and customer service. Recently, 10 til 2 expanded by selling franchises on a national basis and now has offices in eleven states.

CONCLUSION

It is important to remember that the organizations mentioned in this article have made workplace flexibility succeed both for their employees and for their organizations but these companies tend to be the exceptions not the norm. Today's workforce is different in terms of its lifestyle and values. One way to capitalize on these differences is to think creatively about the way work gets done. Innovations that meet the needs of the individuals as well as those of the organization can create win-win solutions. "Current trends seem to suggest that the desire for work-life balance will continue to be a driving force for labor in America regardless of generation" (Beckman, 2010).



Points of Law

The Age Discrimination in Employment Act of 1967 was an expansion of Title VII of the Civil Rights Act. The provisions apply to federal, state, and local governments and organizations with twenty or more employees. In addition, this law protects job applicants and employees over forty years from employment discrimination based on age in terms of hiring, firing, promotion, layoffs, benefits, compensation, job assignments, and/or training. The ADEA forbids retaliation against those who file charges, testify, or participate in investigations, proceedings, and litigation under the ADEA.

Source: http://www.eeoc.gov/types/age.html