



AWLP
10th
anniversary
1996/2006

work&life[™]
celebrating the past & envisioning the future

W10FR1

Friday, March 3

8:30 – 9:45 AM


Flexibility

The Strategic Business Answer

Kathy Kacher
Teresa Hopke

Alliance for Work-Life Progress
10th Annual Conference & Exhibition

March 1-3, 2006 | Hilton Austin | Austin, TX


**Alliance for
Work-Life Progress[™]**
An Affiliate of WorldatWork[®]

Flexibility – The Strategic Business Answer

Teresa Hopke, RSM McGladrey

Kathy Kacher, Career Life Alliance

RSM McGladrey, Inc. is a member firm of RSM International – an affiliation of separate and independent legal entities.

Session Objectives

- The RSM Flexibility Experience
- Identify Barriers
- A New Approach to Flexibility
- FWO Pilot Experience
- Winning Support
- Success Stories

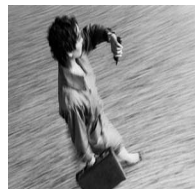


RSM McGladrey Who?

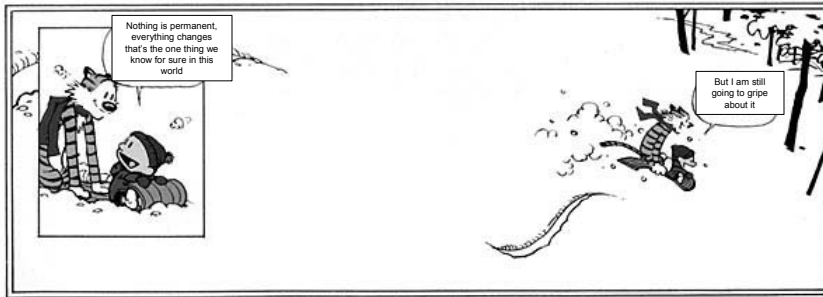
- Financially focused business services firm
- 5th largest (after "Big 4")
- Serve middle market
- 7000 employees
- 100 locations across US
- Headquartered in Bloomington, MN
- Transitioning from accounting to full services firm



Typical "Accounting" Firm
Typical "Flexibility" Practices
Typical "Industry" Challenges



Culture Change at RSM McGladrey.....



Positioning Flexibility: Business Tool vs. WL Program

Accommodation-Based



Business-Based



One Word



**Think
about it**

When you think about flexibility in
your organization ...

what is the *one word* that immediately comes to mind, or
best captures, your thoughts or feelings?

The State of Flexibility at RSM

- **One-sided**
 - Accommodation/reason based
 - Short or long-term interests of firm are not foremost in negotiations
- **Inconsistent**
 - Unsystematic, uneven, unpredictable, unsupportive – not working well
 - Informal “deals” & accommodation often harm users, clients, and peers
- **Reactive**
 - Great opportunities to acquire and preserve human capital being missed
 - Without a system, the operational value of flex – smart staffing, space savings , solving business problems – not on radar screen
- **Barriers**
 - Among all levels: leadership, managers, employees, industry
 - Pervasive entitlement mentality

Employee Stressors

- Travel & commute time
- Seasonality (busy season)
- Long hours
- Caring for pets, dependents & self
- Current measurement systems (billable hours, margin, realization)
- Shortage of staff & abundance of new clients
- Lack of people management credit



Barriers as Identified by Employees

- "They want to see you here...I could be more productive if I could work from home."
- WorkLife isn't just an issue for those with kids. There are people without kids that want a life outside of work."
- "A little more education of leaders on managing their employees on flex schedules would be helpful"
- "Upper management says they want you to have work-life balance. But when it comes down to it, they don't support it and will have you work your day off or give you a hard time for taking time off ."
- "Balancing work and personal life. While it's encouraged by promoting time off, for practical purposes it doesn't happen because we are required to meet large chargeable hour goals while also being responsible for a very large amount of administrative work."



Pre-FWE Assumptions

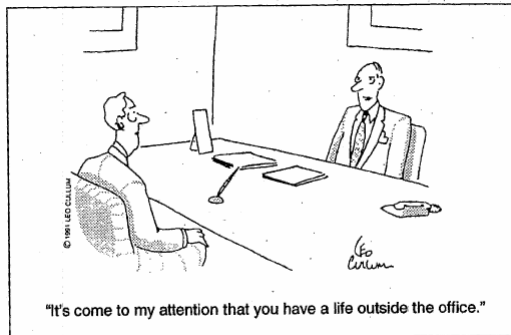
1. Leadership Support
2. Full time or No Time
3. Client Demands
4. Client Support
5. FWO Tug of War for Employees
6. Equitable Process
7. Face Time = Dedication



Never Assume What You Are Trying To Prove

What Are Your Organizations...

- Stressors
- Barriers
- Assumptions



**Can We All
Get On the
Same Page?**

- * Consistency
- * Equity
- * Business Based



- Universal Approach
- Seamless Online Process
- FWO Guidelines
- Principles of Approach

A New Approach to a Flexible Work Environment

Ultimate Goal = Flexible Work Environment

- Clear understanding of new business-based process for flexibility at all levels of organization
- Greater appreciation for how flexibility can improve business performance
- Awareness of behavior changes needed to truly drive FWE
- Commitment at all levels of organization to building FWE
- Beginnings of culture transformation by rethinking work processes of where, how, & when work & results get done

FWO Guidelines: Online Universal Approach Framework for Proposing and Decision-making

- Business-beneficial
- Consistent
- Impact-based
- Employee-initiated (empowerment)
- Mutually beneficial negotiations
- Manager/HR Director-approved
- Measurable
- Tracked



FWO Guidelines: Formal Options



- FlexTime
- Compressed Work Schedule
- Reduced Work Schedule
- Job Sharing
- Telecommuting
- Remote Work
- FlexYear
- Other
- FlexCareer

FWO Guidelines: Principles of Approach

- FWOs support the work of the firm
- Presence is not performance
- FWOs are not right for everyone
- FWOs are a shared responsibility
- Flexibility requires a give and take
- Job performance makes a difference
- FWOs are not an entitlement
- Time reductions should be proportional

Flexible Work Environment Rollouts

- EU management team meeting
- Partner dialogue session
- HR train-the-trainer
- All employee meetings
- Online website, tools, proposal process, guidance
- Tracking system
- Supplemental online training
- Pre & post assessments

FWE Drives Cultural Transformation

- Optimize critical thinking
- Value People
- Seize Opportunities
- Create a learning environment
- Understand client needs
- Build collaborative teams
- Encourage critical thinking
- Promote new behaviors
- Treats Smart People Smart



FWO Process Drives Flexible Behaviors

- Listening & clear, direct communication (proposal process)
- Focus on deliverables and performance (pre-post assessment of arrangements)
- Shift toward coaching style (strengthening self-management of staff)
- Openness to change (trying “odd” FWOs)
- Timely management of performance (when bad things happen to good options)
- Troubleshooting (collaborating to make it work)
- Building trust (do an “exception-only” policy: start with the assumption that flexibility can typically work)

Recapping The FWO Process

- Online tools and guidance
- Employee initiated and business-based
- Proposal focus
 - Value
 - Impact on clients and peers
 - Work redesign
- Strategic business tool to solve problems
- Use rollout to review and re-orient all FWOs
- Develop culture and flexible behaviors



Action

- What flexible options can your organization offer?
 - **What you can't change**
 - Nature of work
 - Leadership
 - Volume of work
 - Customers
 - Laws and Regulations
 - Union
 - **What you can change**
 - Work environment
 - Management approach
 - Technology
 - Work design
 - Empowerment



Action (con't)

- What programs do you currently have in place to address flexibility and are they used as a strategic business tool?
 - Current Policy
 - Equipment Policy
 - HR Communications
- What programs can you easily implement to provide flexibility?
 - Training and education
 - Performance management

Buy-in & Support: A Key Ingredient at all Levels

RSM McGladrey, Inc. is a member firm of RSM International – an affiliation of separate and independent legal entities.

How RSM Won Leadership Commitment

Making the strategic business link.....

- Cost of turnover
- Value of retention
- Branding/recruiting potential
- Answer to many issues keeping management up at night
- If used right, can be tool to help us better utilize employees
- Its what employees tell us they want

Through employee focus group data, outside guidance, & pilot



Flexible Work Environment Pilot Experience

- Test in large EU with 53 arrangements
- With HR support, obtain commitment from EU leaders through:
 - EU leadership meeting
 - Partner webcast
- Train HR staff
- Meetings with employees at all levels
- Online tools, pre & post assessment, track data
- Follow-up focus groups



Flexible Work Environment Pilot Evaluation

- Key Learnings:
 - More time devoted to employee meetings
 - All employees must be required to go through re-proposal process
 - Leadership buy-in couldn't happen through 1 hour webcast
 - Leadership buy-in was crucial to employee attitudes about process
 - Leadership education was ongoing and strengthened through each interaction

Leadership Buy In



- External Research
 - Corporate Voices
 - Watson Wyatt
 - Internal Research
 - Corporate Survey
 - ROI →
 - Testimonial
 - Manager Testimonial
 - Employee Testimonial
- Watson Wyatt reports that total turnover costs including hard dollars and lost productivity are approximately 48% – 61% of salary
 - For an organization with 20,000 employees, 15% turnover rate and an average salary of \$50,000, this cost would mean an annual turnover costs between \$72M – \$92M

How RSM Won Manager Commitment

- Outline the business case
- Talk their language by selling as strategic business tool
- Common platform
- Discuss FWOs and the process or requesting/evaluating flexibility
 - Decisions regarding flexibility are business based only
- Provide managers with tools
- Clearly outlined flexibility objective
- Chance for questions & venting



Management Buy In

- Training
 - Formal Flexibility Training
- Education
 - Results of Corporate Survey
- Performance Management
 - Tie retention directly to management performance
 - 360 review
- Reward!



How RSM Won Employee Commitment

- Highlight individual benefits of flexibility
- Provide common platform for approaching flexibility
- Communicate flexible work options
- Business based proposal process
 - Proposal request process
 - Proposal review process
 - Impact on others considered
- Chance for questions & venting



Employee Buy In

- Education
 - Results of corporate survey (this is what you asked for)
- Formalize the Process
 - Employee request program
 - Collaboration to redesign work
- Performance Management
 - Setting worklife goals



Action

- What obstacles are there to getting buy in your organization?
- What solutions can you implement to overcome these obstacles?
 - I.e. Assemble a team to address workplace flexibility

- | | |
|-----------------------------|-----------------------------|
| •Diversity | •Health and Wellness |
| •Compensation Specialist | •Catastrophe (Flu Epidemic) |
| •Recruiting Specialist | •Real Estate or Facilities |
| •Organizational Development | •Retirement Specialist |
| •Marketing or Communication | •Management |
| •Child Care Center | •Employees |



Biggest Challenges

- Ensuring impact
- Getting the word out
- Ensuring consistency
- Accountability
- Delivering on our WL promise (walking the talk)
- Momentum/sustaining FWE (really changing when, where, how we work)
- Role models/mentors for WL



Key issues you may need to coach on

- Changing entitlement mentality
- Addressing performance issues
- Dealing with backlash
- Helping employees eliminate no/low-value work
- Having employees be responsible for making FWOs work
- Encouraging better planning and scheduling habits
- Eliminating snide and negative peer comments about flex
- Reinforcing a “say ‘no’ to guilt” environment
- Setting and communicating clear expectations



RSM Flexibility Success Stories

- RWS employee promoted to partner
- Featured in Working Mother for Flexyear program
- Featured on NPR for flexibility practices
- Featured on CBS for Flexyear program
- Implemented WorkLife goal setting to support Flexibility
- Flexyear employee promoted to partner
- WL goal setting featured in Chicago Tribune & Boston Globe

In The End....No Longer:



- Typical "Accounting" Firm with
- Typical "Flexibility" Practices with
- Typical "Industry" Challenges holding us back

Because we.....

- Took a Cultural Change Approach Tailored to our Culture
- Positioned Flexibility as a Strategic Business Tool
- And Got Buy-In and Support at All Levels

Action

- How will you change the way you approach flexibility at your organization and position WL as tool for achieving business strategy?



QUESTIONS?