

Workplace Flexibility Take control of letting go

Say “workplace flexibility” and most people hear “happy employees.” That’s always a bonus. But the way you approach the talent equation also affects employee productivity, your real estate footprint, energy use and other determinants of the bottom line. For example, the average company pays between \$12,000 and \$15,000 per employee in facility cost, yet 30 to 40 percent of physical workspaces are vacant at any given moment on a regular business day. Traffic jams cost Americans in urban areas an estimated 4.2 billion hours that flexible workers can convert into productive time.¹ So as much as anything else, workplace flexibility is about happy directors and shareholders.

The right fit

Flexibility is a talent magnet. It is one of the top three reasons highly skilled workers cite in choosing an employer, and 83 percent of the companies on the Fortune 100 Best Places to Work list offer virtual work options.² It can act as a retention tool as well. Yet while many other companies have some flexible work policies, they treat them like perks and not as a consistent strategy – letting some employees work remotely some of the time, and doing little to scale flexibility programs to maximize their benefits or to measure how they affect the business. Given the diversity of today’s workforce, flexibility should not be an accommodation at the margins. It should be the norm.

Our Workplace Flexibility practice takes an integrated approach that delivers in three areas: employee engagement and productivity, operational efficiency and talent brand. Workplace flexibility leads to higher engagement because it lets people fit their work into their

lives and vice versa – every day and over the course of a career. The greater the fit, the higher the productivity. Giving people more control over when and where they work tends to also drive a greater focus on results and accountability. We believe this intersection between high performance and career-life fit is the key to maximizing the return on human capital investment. Our professionals start by assessing how flexibility aligns with and enables both the client’s business strategy, talent strategy and supporting infrastructure platform, and then determine what kinds of flexibilities will deliver the most value.

How we can help

Deloitte has literally written the book on workplace flexibility, with the best selling *Mass Career Customization: Aligning the Workplace to Today’s Nontraditional Workforce* and the recently released *The Corporate Lattice: Achieving High Performance in the Changing World of Work*, both published by Harvard Business Review Press. We walk the walk as an employer of choice that earns numerous workplace and diversity recognition, including Fortune® 100 Best Places to Work, *Consulting Magazine’s* Top 10 Best Companies to Work for and *BusinessWeek’s* 2009 #1 Best Place to Launch Your Career, and we transfer that experience to our clients.

¹ Seth Siegel, et al “Why Change Now? Preparing for the Workplace of Tomorrow” (Deloitte, 2009); Cathleen Benko and Molly Anderson, *The Corporate Lattice: Achieving High Performance in the Changing World of Work* (Harvard Business Press, 2010) “Cities Lose Out on Road Funds from Stimulus” by Michael Cooper and Griff Palmer, New York Times, July 9, 2009; and, “Office Workers, How Long Before You Hit the Breaking Point?” by Sue Shellenbarger, The Wall Street Journal, June 3, 2010.

² See e.g., Benko and Anderson, *The Corporate Lattice: Achieving High Performance in the Changing World of Work* (Harvard Business Press, 2010); WFD Consulting, *The New Career Paradigm: Attracting and Retaining Critical Talent* (American Business Collaboration, 2006) at 11 (“exempt employees (both men and women) said that flexible work options and health benefits are the most important aspects of their next job, even more important than salary.”)



Our Workplace Flexibility practice combines deep talent-related experience with practical business strategy. Workplace flexibility touches all aspects of the talent life cycle, and we offer services in the following areas:

- Detailed business case development, including organizational, stakeholder, real estate, workspace, and technology analysis
- Internal talent pipeline assessment and external talent pool assessment
- Assessment of current workplace flexibility practices and support challenges
- Job analysis to determine work profiles and which workstyle and flexibility options fit different job categories and roles
- End-to-end, collaborative (across human resources, real estate and technology) process maps and governance structures that support global, scalable workplace transformation and flexible work programs
- Results-oriented culture and behavior strategies and tools
- Performance management processes and behaviors that focus on results
- Career development that allows for career path flexibility
- Training and communications for managers and employees on how to lead and work in flexible environments and leverage collaborative technologies
- Change management, strategic communications and training to support new processes and ways of working in innovative workspaces and flexible work environments
- Talent survey tools and analysis
- Continuity of operations design

Bottom-line benefits

An effective Workplace Flexibility strategy can:

- Maximize the return on real estate investment, reducing average occupancy cost per occupant by 10 to 30 percent
- Improve retention of high performers by as much as 100 percent compared to baseline
- Enhance your talent brand, helping you attract top talent and become an employer of choice
- Improve engagement scores significantly through better career-life fit
- Generate productivity gains as workers convert commuting time to work time
- Foster greater innovation due to increased focus on collaboration and results
- Improve customer satisfaction

- Reduce the environmental impact of business operations contributing to corporate sustainability targets
- Diversify business continuity risk allowing for productive operations during typical weather and related disruptions as well as catastrophic events

Four ways to get more value now

Go virtual. It won't be easy, but if you wean yourself from using face time as a measure of productivity, you'll be more open to the ways in which social media and other flexibility tools can help get the job done.

Identify first steps you've already taken. In the absence of a policy, flexible work arrangements and social media have probably begun to make inroads into your workplace on an ad-hoc basis, in part driven by globalization. Take the time to expand on what's working, discourage what's sapping energy and create protocols that place the future progress of these tools under your control.

Assess the physical. Using badge swipes, workplace surveys, observational studies and other metrics, establish a baseline for how much of your office or plant footprint is actually in use at a given moment. What you find may surprise you.

Create a new understanding. Any shift away from the traditional, desk-bound model is going to invite confusion. Establish cultural norms and policies that help everyone understand when it's acceptable to be away from the office – and when it isn't.

Workplace Flexibility in action

- A Fortune 500 financial services company reduced its cost per seat through a flexible workplace strategy, resulting in more than \$400 million in savings per year. We performed a detailed review of job functions, business suitability and geographic norms around work flexibility, mobility and choice, which made it possible to identify candidates for the new arrangement from among a global staff of more than 130,000 people. Additional benefits included a reduction in the client's environmental impact and carbon footprint through reduced facilities use, higher asset utilization and a distributed workforce.

- In helping a large federal agency recast its telework policy, we have increased employee participation by 300 percent. The plan includes tying telework to continuity of operation by instituting episodic telework agreements for more than 2,000 employees, engaging the agency's top leadership by creating an executive telework steering committee and conducting a baseline assessment of the job functions and employee eligibility for telework. We are supporting implementation of the program through strategic communications and training to address managers' resistance and educate employees.
- At yet another Fortune 500 financial services company, our team delivered a comprehensive platform upon which to create a career development program that included a career-life fit component. We built out a clearly defined and articulated career development program that incorporated industry leading practices while coordinating and leveraging existing career development tools, programs and resources and embedded career/life fit discussions into the annual process. Results from a pilot showed significant increases in attitude measures – including a nine percent increase in satisfaction with career development opportunities, a nine percent increase in the perception that good work is recognized, and an 18 percent increase in the perception that advancement is linked to company financial value. Retention of critical sales force members has also gone up significantly.

Related insights

- [Mass Career Customization](#)
- [The Corporate Lattice](#)
- [Workplace of Tomorrow](#)

Related offerings

- [Talent Strategies](#)
- Learning and Talent Development
- Leadership Services
- Workforce Planning
- [Workforce Analytics](#)
- Global Mobility Transformation
- Strategic Change
- Capital Real Estate Transformation

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