

The Straits Times, pg A2 18 March 2009, Wednesday

Time to embrace flexi-work

Bosses here must heed proof that it's good, both for staff and bottom line

RADHA BASU

Senior Correspondent

OFFERING employees the freedom to work fewer and more flexible hours could help companies trim costs and lift productivity amid the downturn.

Fewer hours - meaning lower pay - could help rein in salary costs. And offering more flexible hours to employees can also improve the bottom line, studies overseas have shown.

But perhaps what's best about flexi-work is that unlike retrenchment, it is likely to be embraced by young and old alike - with benefits that could well outlast the downturn.

At least three recent studies here have shown that flexi-work is a tempting carrot that would entice older folk from retirement and wean new mothers from baby bottles back to their Blackberries.

The latest, reported by The Straits Times last month, showed that 72 per cent of 1,000 workers polled would be encouraged to remain in the workforce for as long as possible in their senior years - if given fewer and more flexible work hours. Data for this survey was culled from a global study on the future of retirement by Oxford University.

Another recently released survey of 3,000 baby-boomers here, commissioned by the Government, yielded similar findings.

In yet another Government survey made public last July, more than 60 per cent of 25,000 unemployed older folk who planned to look for work said they preferred part-time work.

Same for mothers of young children. In a survey of 1,000 mothers who were either working or looking for jobs here last year, 85 per cent said flexible hours and results-based performance evaluation would best help them cope with the dual demands of children and career. The survey was commissioned by baby food company, Friesland.

But this groundswell of opinion has so far had little effect among employers.

Indeed, the Oxford survey, which interviewed 300 employers here as well, found that only 43 per cent of employers were willing to offer flexible work to older workers. The remaining 57 per cent, presumably, are against such arrangements - or at least undecided. Contrast that with Britain, where studies have shown that fewer than a tenth of all requests for flexi-work are turned down.

The Singapore working mothers survey, for its part, found that nearly two-thirds of the mothers were unable to re-enter the workforce after childbirth as they failed to find jobs that offered “family-friendly” hours.

Figures from the Ministry of Manpower made public last December show that only 7.4 per cent of private sector employees here are on flexible work schedules, up from about 5 per cent in 2006.

If you include the public sector, the proportion of employees on flexible work arrangements in 2008 was 9.4 per cent.

While the numbers here are inching up, Singapore is still a far cry from countries like the United States and Britain, where nearly 30 per cent of employees work on flexible schedules.

So why the lag here?

The biggest hitch is that many employers still view “face-time” at the workplace as an important criterion in evaluating staff performance and productivity, says Mr Josh Goh, senior manager for corporate services at recruitment firm GMP. They fail to recognise that there is little correlation between productivity and the number of hours worked, he says.

Chief executive officer of HR firm LifeWorkz, Ms Cheryl Liew, points out that many firms here have the misconception that the nature of their businesses is simply not conducive to flexi-hours.

Many small companies, for instance, equate telecommuting - that is, working from a computer at home - with flexi-work. They think that if they don't have sophisticated IT infrastructure, they cannot afford to be more flexible.

But telecommuting - ideal for desk-bound executives hooked up to office computer systems - is not the only type of flexi-work. There can be flexibility in both the scheduling and number of hours worked.

These include a “compressed work week”, where an employee works an extra few hours every work day, to be on a three- or four-day week. This is ideal for those in manufacturing.

Job-sharing - where two employees share one full-time position - has also proved to be useful to those in administrative or shift-based jobs.

Finally, there is the “annualised hours” scheme where, instead of say 40-hours a week, employees are given an annual quota of the number of hours they need to work. Such a scheme is useful especially for organisations that have round-the-clock operations.

But companies here remain apprehensive about heavier administrative loads on managers in terms of communicating, supervising and scheduling the working time of employees.

This needs to change, say some experts on productivity. There is increasing evidence that flexible hours are not just a boon for employees, but for the company's bottom line too.

A 2006 study by Georgetown University in the US, for instance, cited several cases of companies that raked in more revenue even as they gave their employees more freedom in how and where they did their work.

Chubb, a Fortune 500 insurance company which implemented various forms of flexi-work in its claim services department, found a 40 per cent jump in claims processed, and a dramatic reduction in overtime costs.

Global IT giant IBM, for its part, saved US\$20 million (S\$30.6 million) in operating costs annually and over 500,000 sq ft of real estate by allowing employees to telecommute.

While Singapore companies watch and wait, the US and Britain are both beefing up their flexi-work mechanisms.

On Jan 30, days after being sworn into office, US President Barack Obama announced the formation of a task force to find ways for overloaded parents to better balance their work and family lives.

And from next month, a new British law will make it a right for all working parents with children under 16 to ask for flexible working conditions.

There is no need for legislation here yet, but clearly it's time to delve deeper into flexi options.

As work slows and morale dips, giving employees a choice on when and where they work could be the cheerful upside of this depressing downturn.

radhab@sph.com.sg