

State of Colorado

Introduction to Flexible Work Arrangements (FWA)



Definitions

- **Flexible Work Arrangement (FWA)** - Includes Flexplace, Flextime, and Job Sharing.
- **Flexplace** - Also known as telecommuting or telework, Flexplace is a pre-approved arrangement to work at an alternate office location, away from the employee's regular work site or traditional office.
- **Flextime** - An option used to redesign or restructure traditional work schedules so the employee works daily hours different from regular office hours or works a full schedule in fewer days.
- **Alternate Office Location** - An alternate office location may be an employee's home office or another approved office location, such as an office space in another State building or facility that is closer to the employee's home than the traditional office. The alternate office location may or may not be connected to the employer's communication and IT network systems by use of personal computer/laptop or telecommunications equipment. An individual Flexplace arrangement and business needs will generally drive the level of connectivity and technology needed.
- **Job Sharing** - An option used to pool the talents of two part-time employees to perform the work of one full-time position.

Organizational Goals

The State of Colorado urges the use of business tools such as FWA's wherever appropriate to enhance Continuity of Government (COG) and Continuity of Operations Planning (COOP), meet environmental and energy conservation goals set by the Governor's "Greening of State Government" Executive Orders, reduce traffic congestion as set by the General Assembly in 1999, recruit and retain a qualified and diverse workforce, and enhance state services to all Colorado citizens through increased efficiency, productivity, and customer service.

Policy

The policy of the State of Colorado is to promote flexibility and innovation in job design, work hours, location, environment, leave policies, and benefits in order to create an environment that encourages positive, efficient, and productive solutions.

- Each department and higher education institution (hereafter department) should have a plan in place for assessing position and employee FWA suitability. It is also highly recommended that each department have a policy addressing FWA for their organization.
- FWA options are not an employee benefit or right. FWA's are alternatives that must be approved by the appointing authority, prior to implementation.
- Employee FWA requests may be denied by the appointing authority based on any business reason.
- Each approved FWA arrangement must include an agreement, signed by both supervisor or appointing authority and employee. *This requirement does not prevent short-term, informal, or emergency arrangements.*
- Not all positions or job assignments are suitable for FWA.
- Not all employees or supervisors/managers are suitable for FWA.
- The State of Colorado does not mandate participation in FWA. The State's policy is to assess all positions and employees for FWA suitability and encourage the use of FWA where appropriate, as decided by the appointing authority.

FWA - Employer Benefits

- **Increase employee efficiency and productivity** - Often the employee may benefit from quiet uninterrupted time, feel more engaged in his/her work, and avoid the time and cost of commuting to the traditional office, which all lead to greater job satisfaction. In addition, FWA can actually improve and even enhance services. In some situations FWA have allowed office hours to be extended, which can improve public services.
- **Continuity of operations** - FWA can establish or enhance means for continuing business operations and ensuring many services are uninterrupted during times of emergency, such as pandemic and natural disaster situations, and during snowstorms, floods, and fires where regular office locations may be closed or inaccessible.
- **Attracting talented new employees** - FWA have become a common business tool to attract and retain a qualified, high-performing workforce, especially with changing demographics and diverse values where money may no longer be the leading motivator, and in situations where a tight labor market exists.
- **Reduce absenteeism** - According to the International Telework Association and Council (ITAC), absenteeism can be cut up to 60% due to FWA. It has also been reported that employees participating in FWA may use two to four fewer sick days per year.
- **Retain valuable current employees by reducing turnover** - Also according to ITAC, turnover may be reduced up to 20% with FWA options.
- **"Greening of State Government" and environmental impact** - Fewer employee commute trips reduces air pollution and conserves fossil fuels, which in turn, reduces air pollution.

- **Reduce traffic congestion** - The Colorado General Assembly addressed Colorado's transportation crisis in a 1999 joint resolution that calls for employers to consider voluntary efforts to reduce traffic congestion. The resolution specifically encourages the executive branch of state government to increase consideration of FWA options like Flexplace.

FWA - Employee Benefits

- **Reduced time spent commuting** - Nationally, teleworkers save an average of 52.9 minutes of commute time each day. A commute time of 40 minutes equals eight extra working weeks per year (ITAC). In Colorado, as reported by the Denver Regional Council of Governments, the average 2005 one-way commute in the Denver metro area was approximately 25 minutes and 10.7 miles.
- **Reduced costs** - Savings are realized from employees spending less on clothing, dry cleaning, gasoline, parking, and other expenses associated with commuting to the traditional office.
- **Greater flexibility** - FWA offer greater flexibility and maximize an employee's effectiveness between work and personal needs as there is more opportunity to coordinate work schedules with personal and family obligations.
- **Increased job satisfaction** - Employees may save money, have a greater work-life effectiveness or balance, and have more feeling of responsibility, engagement, and control of their own jobs.

Flexible Work Arrangements - Possible Pitfalls and Concerns

- **Organizational culture** - Some managers and supervisors are not comfortable with the style of management FWA requires. To be an effective FWA supervisor, the focus needs to be on work product quality, outcomes, and timeliness. Effective FWA supervisors manage by objectives achieved, results, and outcomes rather than face time. Ideally, supervisors of employees who telework delegate work easily, are well organized, and trust their employees. The relationship between amount of time spent in the office and productivity is not a valid assumption in many office settings. For example, if Employee A is in the traditional office twice as much as Employee B, then Employee A must be more productive, right? Not necessarily. FWA supervisors must learn to evaluate effectiveness and productivity based upon results or outcomes. If Employee B is in the traditional office half as much as Employee A, but produces twice as many reports at a higher quality than Employee A, who is the more productive worker?
- **Information security** - Whenever the transfer of sensitive or legally protected information is involved, every precaution must be taken to ensure proper security measures are implemented. Be sure the department's information security policy is current and communicated to all employees, especially Flexplace employees.
- **Information technology limitations** - Some departments have excellent IT resources and policies which make it relatively easy for eligible employees to telecommute. Others may not, which makes IT considerations a valid business reason for denying

FWA. Every department must consider business needs and the proper investment in IT resources, which may limit some FWA participation. The suggestion is to talk with other departments as they may have solutions to common problems or issues your department is having in regards to IT resources and FWA. Many private and public employers and other departments in state government have found ways to use FWA to their advantage and within existing resources.

- **Costs** – Associated costs with FWA range from none to significant. Each department has the discretion to decide what level of investment will be made towards possible FWA costs. Cost and lack of budget is a viable business reason for denying FWA.
- **If everybody isn't eligible for FWA, we better not do it for anyone** – FWA are not “one size fits all” options. It is important to remember that FWA are not an employee right or benefit and are used at the employer's discretion to meet a variety of business needs. If planned and used properly FWA can actually improve and enhance services, aid in COOP and COG management, enhance an employer's ability to compete for scarce talent in a highly competitive labor market, and promote efficiency and productivity. FWA are not for everyone, as some positions may not be suitable by the nature of their work, some employees may not be suitable or even interested, and business needs and mission simply may not allow it.
- **Staff levels are too low to allow anyone to participate in FWA** – Level of staffing surely plays a large part in meeting customer demands. If an office, location, work unit, or organization simply doesn't have the level of staffing required to meet customer and business needs, FWA may be denied. However, if planned and used properly, sometimes FWA can actually increase customer satisfaction, if efficiencies and productivity gains are realized. In addition, if office staff are approved for FWA where employees work staggered 10-hour shifts for four days of the week, with different days off, it is possible to increase office hours and staff time in the office, for customers.