

How to Use Reduced Hours To Win the War for Talent

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"I've got to find a way off this treadmill! Life is too frantic. By the time I get the kids dressed, fed, and off to school, fight the traffic into town, and scramble for a parking spot, I feel like I've already put in a day's work. And then the whirlwind begins. And then later I have to beg out of those darned 4:00 p.m. meetings, which I know will drag on past 6:00, so I can get back to the day care center by 5:30 to avoid the by-the-minute late charges. But this means rushing home with a full briefcase and working after dinner until 11:00 or so, and then a few hours' sleep, and another round begins. If I could just cut back to a three-day week, I'd have time to do more with the PTA, I could join that book club, I could read the newspaper in the morning, and I could be more present with the family. We can live with the reduced income. How much more sane life would be if I just cut back."—A harried lawyer

Workplace flexibility is a major concern in business today. As companies are scrambling to recruit and retain professional employees and managers with critical skills, using expensive search firms, paying large signing bonuses, and offering bounties to employees whose referrals result in new hires, significant resources are being put into creating attractive employee rewards. The one thing that is becoming clear is that money alone is not enough. Increasingly, with the high incidence of two-career households, and the concomitant need to juggle work, home, community, and other life roles, time is a major currency. For example, one recent online survey conducted by Career-

Path.com found that 40% of responding workers plan to change jobs in the next year, and that they will be looking for "workplaces that allow them to tailor their hours to suit personal needs" (*Industry Week*, March 6, 2000, p. 12). And furthermore, other research has shown that employees are willing to trade a certain amount of money for reduced work hours in their schedules.

In this paper, we argue that reduced work-hour options have the potential to be a win-win for both individuals and organizations. And we will show further that what leads to good balance for the employee is not the number of hours worked *per se*, but specifically, the *fit* between the schedule the person needs and the actual number of hours worked, as well. We will present tools that organizations and individuals can use to determine what in fact is the best for each person. And we will conclude with a set of guidelines for managers and organizations that want to make the most effective use of reduced-work options.

THE BUSINESS CASE FOR BALANCE

Balance is not just a personal issue—it is a business issue. In the new economy, success will go to those businesses that are the more adaptable and agile. Speed, learning, and knowing your business are the ultimate core competencies, as Evans and Wurster show convincingly in their book, *Blown to Bits*. Or-



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ganizations that are not able to adapt to changes in information technology so that they can continuously learn and reshape their fundamental business processes will not survive. In the new economy, information has substituted for goods. With learning as the main currency, talent becomes the prime resource. And the ability to attract, retain, and develop key talent—key executives or star professionals—will separate the winners from the losers.

One such winner is Motorola Inc. Look at their strategy for doing business in China, where their success in the wireless communications industry is impressive. As Bill Wigginhorn, senior vice president of training and president of Motorola University, reports, Motorola's philosophy in entering the China market centered on *balance*. And balance means that relationships come first, then work, and then doing business. (In contrast, their previous approach in the West was business first, then working together, then relationships.)

Motorola expresses its concern for balance, in part, by focusing on building *wealth*, with a 100-year time frame, not shareholder value (or, more baldly, stock price). And, according to Wigginhorn, wealth is defined by the receiver and could mean family happiness, work achievement, good relationships, financial security, or a multitude of other rewards. The key point is to build businesses that provide human value.

Thus, businesses and their leaders are beginning to promote balance in a deeper way than concepts like the "balanced scorecard" (where the concerns of diverse stakeholders are addressed) would suggest. Increasingly, the main stakeholders are owners, employees, and customers. As Jeffrey Pfeffer makes clear in his book, *The Human Equation: Building Profits by Putting People First*, the leading companies in the new economy—from Wal-Mart Stores to Starbucks Corp. to Southwest Airlines Co.—are those that take care of employees first, because then employees will take care of customers. And, as a result, the financial success of this balance takes care of owners.

What does it mean, then, to take care of employees? What do contemporary employees need to have the balance in their lives that they and their families are seeking? In particular, what role does reduced work hours play in this dream?

THE VISION OF BALANCE THROUGH REDUCED-HOURS CAREERS: A FANTASY?

The Employee's View

How do employees view reduced work hours? The quote at the beginning of this paper sums it up: Simply put, stressed-out employees want to make more time for their families and other relationships. They want more time for themselves—for personal development, personal interests, volunteering, exercise, reading—whatever enriches their lives. Ultimately, they want to have more control over their lives, which would lead to less distress. The thinking goes like this: "If I can just cut back on my work hours by a day or two a week, life will be much simpler and more fulfilling."

The Employer's View

Many employers see reduced hours as a way of cutting costs and gaining flexibility. The reduced benefits cost is significant, as part-timers often receive either no benefits or prorated benefits. With benefits running 25 to 30% of wages and salaries, this is a big cost saving.

Cutting back on the hours of full-time employees also gives the firm more flexibility to deal with fluctuating business cycles and resulting staffing needs. Thus, the permanent or core work force can be cut without incurring the costs of layoffs and separations.

One of the downsides of reduced-hours schedules for the employer may be somewhat higher benefits costs. Although a firm could theoretically pay prorated benefits for part-timers, in a competitive labor market it may still need to pay full benefits for these



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employees. Also, Social Security still must be paid up to a certain amount for each employee, regardless of the percentage the person works. Thus, hiring two part-time employees can mean two Social Security payments.

However, even if benefit costs are higher, the overall returns can be worth it. On the recruiting side, offering reduced hours may make a company more attractive in the oft-touted "war for talent." Universities, for example, are notorious for paying low salaries, yet they can still hire bright young professionals in large part because they can provide a quite flexible work environment: the option of reduced hours, telecommuting, unpaid leaves, as well as good vacation and education benefits. On the retention side, of course, these "currencies" also help to hold the talent once it is hired. In most professional fields, the replacement cost for a professional may be several times the person's annual compensation, not to mention training and development costs, plus reduced productivity from the new employee and coworkers during "on-boarding." Thus, retention is a bargain compared to replacement.

Clearly, flexible options such as reduced work hours provide benefits to employees and employers. It sounds like a pretty simple argument. But maybe it's too simple! Are these benefits real, or are they a fantasy view of life in the reduced-hour world?

The following sections discuss recent studies that probe beneath the surface of reduced-hour arrangements. We examine how reduced hours relate to employee distress and satisfaction, and evaluate just how important time is in relation to other possible predictors of employees' quality of life. And we discuss ways employees might assess for themselves whether reduced hours would be a good option to pursue.

THE REALITY OF REDUCED HOURS: WHAT THE DATA SAY

With all the media talk of time famine and the time bind, it is easy to conclude that the

distress plaguing the American work force is "caused" by long work hours *per se*. Highly educated workers (professionals and managers) are certainly working exceedingly long hours and their actual number of hours worked has been increasing. As of 1997, a Sloan Foundation study showed that about 45% of men and 25% of women were working 50 hr or more per week, not including an average of four hours per week for commuting. Thus, many managers and professionals are away from their homes and families at least 54 hr per week.

Benefits of Reducing Time at Work

Research shows that distress and fatigue from excessive time on the job can lead to declines in performance and in safety. It is well known that airline accidents are caused far more often by human error than by technology, and a major factor in human error is fatigue induced by long hours at work. Research in Japan has found that fatigue and errors can be dramatically reduced through short periods of time away from work—even time off in the form of 15-min naps.

Thus, it appears that periods of time away from work can be extremely beneficial to the quality and productivity of a person's work. At the very least, these data show that putting in large amounts of time at work ("face time") is *not* a good predictor of productivity. But when we talk about these sorts of "pauses," we are really talking about how taking brief "time-outs" can help employees regroup with the aim of thinking more clearly and perhaps creatively about work.

We argue that the concept of regular time away from work can be extended to the creation of reduced-hours schedules that enable employees to have significant periods away from work each week. Implementing such schedules is a major move for the professional employee and employer. It entails a significant career decision for the employee and a potentially significant reconfiguration of career paths (and policies) for the employer. Because this is such a weighty career decision, it is important to look more deeply

at how professional employees view the pros and cons that would be involved. Although one might think that many people would find such a change attractive, what do we really know about how employees view the prospect of a reduced-hours schedule? Let us look next at what we are learning from studies of the employee's experience with reduced hours.

The Employee's Experience

Despite their long hours, only a small proportion of employees in professional firms actually take advantage of reduced-hours options when they are available. Could it be that reduced hours are just a solution in search of a problem? That is, career consequences aside, there may just be little interest in working fewer hours.

How dissatisfied are professionals with their longer workweeks? The data tell us that they are very dissatisfied. In a 1997 Families and Work Institute study of a nationally representative sample of 3,000 workers, 63% expressed the wish to work fewer hours. This figure jumped to over 80% among those who worked 50 or more hours per week. And the excess work was substantial; those working between 50 and 60 hr per week preferred working 12 hr less, whereas those working over 60 hr indicated a preference for working fully 20 fewer hours.

Another strong indication of how much professionals want such part-time career tracks comes from a study by Phyllis Carr and her colleagues of a nationally representative sample of 1,979 full-time academic medical faculty. When asked to indicate which of ten potential obstacles to career advancement were in fact an obstacle in their own careers, both men and women faculty with children most often cited meetings held before 8 a.m., after 5 p.m., or on weekends, followed by absence of a part-time tenure track. Interestingly, among faculty without children, absence of a part-time tenure track was the obstacle most frequently mentioned among the women and the second most frequently mentioned among the men. Clearly,

for men and women academic physicians the absence of a fully articulated part-time career track in medicine is a major obstacle to their professional advancement. Creating such a career track would entail a comprehensive reworking of the entire range of policies and practices that define full-time tenure tracks. Diane Kellogg found similar results in her study of major accounting firms.

This discontent is mirrored in studies of samples of the general work force. For example, national data from 1992 indicate that only one-third reported that their actual and ideal hours corresponded precisely. Of those who expressed the desire to work fewer hours, most wished to work at least five hours less per week than they currently worked. Nearly one third expressed the desire to work 10 hr less, and about one in seven wanted to work at least 20 hr less per week. Importantly, by 1997 the proportion of workers who would like to work fewer hours had increased by 17%. Interestingly, for both men and women, the desire to work fewer hours was not restricted to individuals with young children living at home. More generally, there were no significant gender differences in preferred work hours at any life stage, indicating a growing convergence between men and women in their desires to build both successful careers and families over the life course.

Is Reducing Hours an Option for Managers

Most of the research on reduced work hours has been conducted in professional service firms, raising the question: Is this option relevant for managers? There has been a long-standing perception, largely unchallenged by data, that the work of managers is not amenable to reduced hours because of the coordination and integrated oversight that a manager must provide. However, a study by the second author found that job-sharing has been used successfully for managerial and supervisory jobs in almost half of the large companies surveyed.

Further support for the value of re-

duced-load work arrangements for managers comes from a study by Michelle Buck and Mary Dean Lee of McGill University and Shelley MacDermid of Purdue University. They studied 46 managers (i.e., individuals responsible for three or more direct reports) and 36 professionals. To gather a fuller picture of how the reduced-hours arrangement worked, the researchers conducted separate interviews with five stakeholders: the reduced-hours manager, the boss, a co-worker, a human resources representative from the organization, and the spouse or partner.

According to the respondents, the arrangements generally worked well. Sixty-two percent were perceived as "High Success" and 31% as "Moderate Success." Only seven percent were rated "Low Success." Importantly, the senior managers reported that work performance was maintained or improved. Looking at work attitudes of the employees, 91% said they were happier with their work-home balance as a result of the reduced-load work arrangements.

But were there career consequences of cutting back on work hours? In this study advancement was not slowed: over a third (35%) of the participants were promoted during the time of the study.

As with medicine, business opportunities for reduced hours might be highly job- or specialty-specific. Jobs with high levels of autonomy and routine might be more conducive to such arrangements than jobs with high interdependencies and nonroutine demands. Thus, many staff positions, sales and marketing, and operations management might be amenable to well-planned "chunking" of the work into shorter time segments. Less routine work, such as new product development, product or service launches, customer service, and emergency operations, or work requiring frequent long-distance travel might be more difficult to redesign.

Objective versus Subjective Indicators of Work Time

Despite all the focus on number of hours worked, the research literature linking

length of the workweek to a range of distress and quality-of-life indicators is very inconsistent. Some studies find a significant positive relationship, others find no relationship, and still others report a negative relationship.

Part of the inconsistency has to do with the nature of part-time jobs. Most part-time jobs are "bad" jobs in that they have low salaries, and, typically, few benefits or opportunities for career advancement. In contrast, as Tilly found, full-time jobs tend to be "good" jobs—with decent salaries, benefits, challenging work, and opportunities for advancement. Moreover, many workers do not work part-time by choice; they do so because they cannot find full-time work. Unfortunately, most studies tend to group together employees who are working part-time voluntarily and involuntarily. We argue, however, that there is another, more important factor at work: these inconsistencies may result from an overemphasis on *objective* indicators of work time (i.e., the absolute number of hours worked and their distribution) and an underemphasis on *subjective* indicators. This bias has blinded us to such issues as the meaning of working reduced hours to a manager or professional. How do reduced-hours workers feel about embarking on an alternative, less prestigious, and often informally created career path?

Many managers and other professionals, under pressure of long work hours and heavy nonwork demands and unaware of possible future costs, may decide to cut back. Is this the option most likely to achieve their desired outcome? Because so little research has been done on the subjective costs and benefits of working reduced hours, we have not had good decision tools to help people make informed judgments about whether this major career decision is a good or bad idea for them personally.

HELPING EMPLOYEES CHOOSE WORK ARRANGEMENTS: SELF-ASSESSMENT TOOLS

Three such tools were developed and tested by the first author in a recently completed

study of 141 dual-earner couples in which one was a physician working reduced hours. The aim of the study was to understand the anticipated and unanticipated consequences of reduced-hours careers for doctors, their partners, and their employing organizations. From this study came three measures of subjective aspects of reduced-hours work: *difficulty of tradeoffs*, *rewards and concerns*, and *fit*.

Difficulty of tradeoffs recognizes that to reduce their work hours, doctors (and other professionals) typically have to forgo some professional activities. The decision to decrease hours at work usually means relinquishing certain professional activities. For example, few reduced-hours physicians (RHPs) in the sample were engaged in research or teaching. Some physicians who give up particular professional activities may experience difficulty, whereas others may not. Therefore, we conceptualize difficulty of tradeoffs as a continuum ranging from not at all to very distressing. (See Box 1 for the tool to measure difficulty of tradeoffs.)

Rewards and concerns reflects the fact that every social role has both rewarding and problematic aspects. Employees who experience more rewards than concerns in their present reduced-hours job have positive role quality; those who experience more concerns than rewards have negative role quality. What are the primary rewarding and problematic aspects of working reduced hours? Like the harried lawyer described at the beginning of this article, the rewards focus on having more time for themselves, their families, and nonwork activities. The concerns about reduced hours include the lower probability of promotions or partnership, lower salary, and marginalization at work.

Preliminary qualitative interviews were conducted and generated 38 items (19 rewarding and 19 problematic aspects—see Box 2). In the survey the RHPs were asked to think about their current job and to indicate for each of the items the degree to which it was either rewarding or of concern. Ratings were combined to form a score for the overall

subjective quality of experience in the role of a RHP.

Schedule Fit

The decision to work reduced hours is most often made within the marital unit. Couples assess their economic and emotional needs as well as their individual preferences and develop a work-family strategy. These strategies can vary widely from couple to couple. After developing a strategy, the couple tries to optimize it in the marketplace.

Fit refers to the degree of success they achieve. Those who create a good match are said to have achieved a good fit and should experience low distress and high positive quality of life (QOL). Those who fail to find a good match are said to have low fit and should experience relatively high distress and low QOL. Thus, schedule fit mediates the relationship between number of work hours and distress as well as QOL outcomes.

To assess fit, we developed a measure asking respondents how well the number and distribution of their work hours and the flexibility of their work schedule met their needs, and how well their own and their partner's schedules met their own, partner's, and children's needs (see Box 3). Thus, fit represents a subjective assessment of the degree to which each spouse has optimized her or his work schedule.

How did the reduced-hours schedules work for the people in this study? On average, the reduced-hours physicians experienced moderate difficulty associated with tradeoffs, more rewards than concerns in the role of reduced-hours physician, and good fit. However, the work schedules were not always what these physicians would have preferred. Although all the reduced-hours physicians had voluntarily reduced their work hours, only slightly more than half (54%) were working their preferred number of hours, whereas 37% were working more than they preferred and nine percentage were working less.

Difficulty of Tradeoffs©

How much distress do you experience because of the discrepancy between the professional activities you would like to perform and your current work arrangement?

1. No distress
2. Almost no distress
3. Some distress
4. A considerable amount of distress
5. A great deal of distress

SCORING INSTRUCTIONS:

The score is the number of the item you selected (5 = high difficulty; 1 = low difficulty).

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ARE SUBJECTIVE INDICATORS GOOD PREDICTORS OF JOB RELATED AND QUALITY-OF-LIFE OUTCOMES?

To estimate the relative predictive power of our subjective indicators compared with that of an objective measure, actual number of hours worked, we correlated both types of indicators with various quality-of-life indices. In every case, the subjective indicator was a significant predictor of a set of outcomes, whereas the actual number of hours worked was not. Thus, indicators reflecting the meaning of working reduced hours for doctors were far better predictors of outcomes such as burnout, intention to turnover, subjective quality of one's family experiences, life satisfaction, and psychological distress than was the actual number of hours worked.

Working a reduced schedule was a good option for doctors who had few difficulties with tradeoffs, perceived more rewards than concerns with their reduced-hours position, and experienced good fit. For others, a reduced schedule was not necessarily a good option.

Clearly, burned-out doctors who are

contemplating leaving their jobs or the field of medicine and are experiencing high anxiety and depression and poor marital and parental relationships cannot be good either for their employing organization or for their patients.

WHAT ORGANIZATIONS CAN DO

Organizational responses to these issues require major personal, workplace, and firm-level changes. We will discuss each level in turn.

Personal Level: Provide Decision Support Tools

At the personal level, individual employees can be encouraged to carefully assess the meaning of adopting a reduced-hours career. We would recommend the use of *personal decision tools*, based on the research we have reported, to help employees choose the reduced-hours options that would work best for them. These tools are shown in Boxes 1 through 3. With these tools, managers can more fully discuss alternative career options,

Reduced-Hours Job-Role Quality Scale©

Not at All	Somewhat	Considerably	Extremely
1	2	3	4

Rewards of Reduced-Hours Schedule

Now I am going to read to you some statements that people working reduced hours have made about aspects of their schedule that are rewarding. Please think about your reduced-hours schedule as it is right now, not as it was in the past or as you would like it to be. How much, if at all, are the following items rewarding to you:

1. You have more time for the family.
2. In general, there is less pressure at the end of the workday.
3. You are better able to parent the children the way you want.
4. You have more time for yourself.
5. You have more time to do household tasks during the work week.
6. The feeling that the household is under control.
7. Having more unencumbered time on the weekends for the family.
8. Having more time to relate to your partner.
9. Having more time for personal pursuits.
10. The balance between work and nonwork time fits your needs.
11. You have more time for friends.
12. You have more time for community activities.
13. You have more time flexibility to provide patient care.
14. You are less exhausted at work.
15. You do not have to participate in work activities that you do not enjoy.
16. Having more time to enjoy your partner's company.
17. Having more time to pursue joint activities with your partner.
18. You have more time to participate in the child(ren)'s activities.
19. You have more time to enjoy the child(ren)'s company.

(Continued on next page)

covering personal costs and benefits that might not otherwise be taken into account. In this way, managers can enhance the probability that those employees who opt for reducing their work hours will succeed in this career path.

Workplace Level: Create New Work-time Options

At the workplace level, it seems clear that creating reduced-hours career options can be part of the strategy to assist and retain young

Concerns of Reduced-Hours Schedule

Now I am going to read to you some statements that people working reduced hours have made about aspects of their schedule that are of concern. Please think about your reduced-hours schedule as it is right now, not as it was in the past or as you would like it to be. How much, if at all, are the following items of concern to you:

1. The reduced pay.
2. Your having to forgo some aspects of your work that you value.
3. Being relatively less advanced professionally than others with whom you trained.
4. Your being excluded from decision making at your place of work.
5. The lower probability that you will be promoted or become a partner.
6. Your feeling marginalized, for example, feeling as if you are not consulted on day-to-day operations at work.
7. Your job insecurity.
8. Your taking on too many household tasks.
9. Your not having as much time for yourself as you hoped to have.
10. Working more hours than you are paid for.
11. Your getting home exhausted on work days because those days are so heavily packed.
12. Your having inadequate support staff coverage.
13. The quality of care your patients are receiving because you are not always at work.
14. Your having to miss staff meetings that are held when you are not at work .
15. Your having to forgo a more active policy-making or administrative role at work because of your reduced hours.
16. Resentment because the promotion policies at your institution penalize physicians who work reduced hours.
17. The way you use your nonwork time.
18. Increased expectations others have for your participation in nonwork activities.
19. You try to be a full-time parent.

SCORING INSTRUCTIONS:

Step 1. Add up responses to the Reward items.

Step 2. Divide total from Step 1 by the number of items answered to get a Reward Average.

Step 3 and 4. Repeat Steps 1 and 2 for the Concern items to get a Concern Average.

Step 5. Subtract the Concerns average from the Rewards Average to get the Role-Quality Score, which ranges from -3 to $+3$. A score of 0 indicates that Rewards are completely offset by Concerns.

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Schedule Fit Items©

1. Taking into account the number of hours you would ideally like to work and the number of hours you are currently working, would you say:

- a. You are working too few hours.
- b. You are working roughly the right number of hours.
- c. You are working too many hours.

Please choose from the following response categories to answer the next several questions.

Extremely poorly 1	Mostly poorly 2	Slightly poorly 3	Neither well nor poorly 4	Slightly well 5	Mostly well 6	Extremely well 7
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2. How well does your current work-*day* schedule meet your needs (for example, you may work Monday through Friday or you may work weekends)?

3. On the days that you work, how well does your schedule of work *hours* meet your needs (e.g., you may work 9 to 5 or you may work 8 to 3)?

4. How well does the overall flexibility of your current work schedule meet your needs?

5. Taking into account your current work hours and schedule, how well is your work arrangement working for you?

6. Taking into account your current work hours and schedule, how well is your work arrangement working for your spouse/partner?

7. Taking into account your current work hours and schedule, how well is your work arrangement working for your child(ren), if any?

8. Taking into account your current work hours and schedule, how well is your work arrangement working for your elderly dependents, if any?

9. Taking into account your spouse's current work hours and schedule, how well is (his or her) work arrangement working for you?

10. Taking into account your spouse's work hours and schedule, how well is (his/her) work arrangement working for (him/her)?

11. Taking into account your spouse's current work hours and schedule, how well is (his/her) work arrangement working for your child(ren), if any?

12. Taking into account your spouse's current work hours and schedule, how well is (his/her) work arrangement working for your elderly dependents, if any?

SCORING INSTRUCTIONS:

Step 1. Add up responses to items 2 through 12. Do not use item 1 in computing the fit score.

Step 2. Divide total from Step 1 by the number of items answered. This is your Fit Score.

Total fit scores range from 1 (low) to 7 (high).

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professionals, but it cannot be the whole answer. Merely creating policies that enable managers or professionals to work reduced hours does not mean that they will take advantage of those policies or that those policies will achieve their desired result, if chosen.

A June 1999 report from the Boston Bar Association's Task Force on Professional Challenges and Family Needs bears directly on these issues. The Task Force conducted an assessment with an eye to possible changes within the legal profession. Among its most striking results was the revelation of an astonishingly high turnover rate among young associates. Of 154 law firms involving over 10,000 associates from the classes of 1988 to 1996, 10% left their firms within one year, 43% left within three years, two-thirds left within five years, and three-quarters left within seven years. Attrition among young associates is very costly to law firms because they represent a loss for the first two years and only become profitable after five to seven years.

Further analyses showed that most associates—male and female—make employment and career choices based on their desires for intellectually challenging work *and* for family involvement. Associates frequently observe that most of their peers, male or female, who “survive” to make partner closely model the traditional male career path; they have no children, or if they have children, there is a stay-at-home spouse who is responsible for the children's day-to-day care.

The Firm Level: Change Cultures and Careers

The problem is not the unwillingness of law firms to create reduced-hours options. The Boston Bar Association's Task Force learned that 93% of Boston area firms offer some type of reduced-hours options; however, only six percentage of lawyers take advantage of them. Their hesitancy reflects the general and apparently well founded belief that such options come with strings attached. The Task Force reported that those reduced-hours op-

tions that were not automatic career breakers still demanded in excess of 40 hr per week—hardly what most people think of as reduced hours.

In the absence of change in corporate cultures that esteem long hours and total commitment, few professionals or managers are apt to choose reduced hours. Like the young lawyers surveyed by the Boston Bar Association, doctors may be afraid of the long-term career consequences of such a “radical” career decision.

Provide Mutual Flexibility

One of the ironies of reduced-hours work is that the flexibility the employee originally wanted frequently ends up bearing a price that he or she has to pay. Often the reduced-hours employee is called upon in one way or another to do a little something extra, outside the bounds of the reduced hours, to demonstrate his or her flexibility. It might mean coming in on a nonwork day one week because a client is in town for a meeting at the corporate office, or it might mean coming in on a weekend to get a critical proposal out the door to meet a client's deadline. Thus, a two-home-days-a-week schedule can end up being half a day at home at best. And the flexibility is all on the employee side.

As the Boston Bar Association Task Force found, reduced hours work best when both parties are committed to the arrangement and when both parties are flexible. When there is one-way flexibility, a downward cycle ensues that can lead to the employee's exit:

“Several lawyers remarked that ‘flexibility’ was the hallmark of part-time work at their firms. When ‘being flexible’ meant that the burden of day-to-day flexibility fell primarily on the part-time attorney, these observers noted a pattern of lawyers with reduced hours arrangements gradually working more and more hours to demonstrate their commitment and willingness to be flexible, and growing less and less satisfied with their firms. The attorneys most satisfied with their reduced-hours arrangements felt that their

flexibility was matched by the firm's commitment to honor their arrangement. When there is mutual commitment to reduced-hours career paths, flexibility naturally evolved." (pp. 36, 37).

Creating reduced-hours career paths in business and the professions requires change in such other policies as performance review, compensation, seniority, promotion, scheduling, benefits, and on-call policy. Unless such a comprehensive top-down approach is taken, managers and professionals may well be reluctant to opt for reduced hours. Moreover, if they do choose that course, they may regret it later on.

Change Career Tracks

Let's take a look at how one major law firm has generated alternative career tracks. Ropes & Gray, headquartered in Boston with offices in Washington, D.C. and elsewhere, has developed an intriguing approach to employees seeking to reduce their work hours. In the early 1990s, the firm recognized that creating reduced-time schedules was both a core corporate value and an important tool for recruiting and retaining top legal talent. Accordingly, it developed a more formal set of procedures governing part-time career paths.

Specifically, it constituted a Reduced Time Advisory Committee (RTAC) that reports to the Policy Committee, which governs the firm. The RTAC's primary function is to coordinate the requests of lawyers who want to reduce their work hours and, in conjunction with the lawyer's department head, consult with them about how best to structure their reduced-time schedule. At present, a lawyer asking to cut back completes a questionnaire developed by the RTAC. The goal is to identify the reduced-time option that is best suited to meet the joint needs of the firm and the candidate.

The feasibility of working reduced hours and the impact of working reduced hours on their professional activities depend heavily on the lawyer's area of specialization. Some areas deal more often with time-sensitive

and highly pressured cases, whereas other areas deal less often with these types of matters. For example, depending on the particular lawyer's reduced-time schedule, the nature of his/her assignments in the corporate department might be different from those of a full-time lawyer in the same department. In contrast, the nature of the work of full- and part-time lawyers in, say, estate settlement and estate planning may not differ as greatly.

The RTAC provides continuing oversight of reduced-hours lawyers through contribution to the Associates Committee and the Policy Committee. Members of the RTAC meet with the department heads of the reduced-time associates and with the partners for whom the associates work most often to discuss how a particular associate's schedule is working. A member of the RTAC then meets with the associate to discuss any issues that others have noted regarding the associate's part-time status and any concerns that the associate has about her/his status. The presence of the RTAC and its integration into the formal review process sends a strong signal that Ropes & Gray is highly invested in the success of those lawyers who opt out of the traditional work schedule.

With respect to career consequences, four lawyers have made partner while working on a reduced-time basis. (Other lawyers who had worked on a reduced-time basis at some point in their careers have also made partner, but at the time they were made partner, they were working full-time.) All the lawyers who made partner while working part-time were women and all reduced their hours to better handle their child-care responsibilities. In all of these cases, recognizing the realities of the profession, the lawyers were flexible about working outside of scheduled office hours.

The Ropes & Gray example shows both that a formal reduced-hours policy for professionals is possible, *and* that it takes a major organizational commitment to revise the related human resource policies and practices (e.g., promotion, pay, job assignment, and client management practices). Many companies, such as UnumProvident, have come to

the same conclusion. All of these are components of an interconnected management system, and all of the interdependencies must be considered and adjusted.

Consider Potential Unintended Consequences

Because of these system effects, merely creating reduced-hours career options without making needed major cultural changes risks regendering the professions. If more women than men opt for reduced hours, they may end up being marginalized at work. The result could be a two-tier system in which women professionals are considered less committed and men professionals more committed. And the reduced-hours career path (along with higher percentages of women) may show up more often in certain specialties that are more amenable to reduced-hours work, such as radiology and psychiatry in medicine, and trusts and estates in law. It is certainly not in anyone's best interest to institutionalize a "mommy track." Such a scenario would be a lose-lose situation for professionals and managers. The women would lose at work, and the men would lose at home.

Clearly, the necessary changes require extensive redesign of professional careers. Needless to say, to seriously undertake the development of fully articulated alternative career paths that formalize the long-term career implications of reducing work hours for some period of time, or for the long-term, is a major undertaking and may run into strong resistance.

In sum, we know that working a schedule that is costly in terms of subjective criteria is bad for professionals and for their employing organizations. However, to determine whether reduced-hours careers in the professions are good or bad for professionals, their employing organizations, and the professions, we will have to wait until the professions develop formal reduced-hours career options with clear policies governing expectations, responsibilities, rewards, and career consequences.

WHAT CAN AN INDIVIDUAL MANAGER DO? (OR, SEVEN HABITS OF HIGHLY BALANCED MANAGERS)

Given the complexities of the above issues of reduced hours for both the organization and the employee, where does this leave a manager, who is caught between the two? The progressive manager knows that, to recruit and retain good talent, it is necessary to provide flexibility to employees. But he or she also is the target of incredible demands from bosses and customers to produce products and services quickly, at low cost, and with high quality. How can a manager integrate these seemingly conflicting necessities?

1. See Work Not As the Problem, But As the Solution

Fortunately, balance and integration are possible. A good manager knows that one of the strongest motivators of a talented employee is the intrinsic satisfaction provided by a valued challenge met and a job well done. So the employee probably shares the manager's desire to get the work done quickly, efficiently, and in a quality way. And if this happens, it helps retain the employee as well as the customer.

2. Avoid Big Corporate Programs; Enable Employees to Generate Creative Local Solutions

So then it becomes a matter of *how* the work output will be attained. Again, there is good news for the manager. If we enable the employee to find a way, either individually or with a group of coworkers, to produce good work and to find personal work-life integration, the employee will probably find a way. Experiments at organizations as diverse as Xerox Corporation, Johnsonville Foods, Wilhelmsen Shipping Lines, and Southwest Airlines, to mention just a few, have found that employees and supervisors working together can find ways to make these flexible

arrangements work, to the benefit of all stakeholders.

The irony is that although a commitment from top leadership is critical, it is not necessarily the formal corporate flexibility programs that drive results. Flexible arrangements such as reduced hours work well when individual line managers and their staffs have open, trusting, mutually respectful relationships and are able to problem-solve together to create their own best work designs. As we are finding with customer satisfaction, the more we can keep work redesign “close to the customer” (who in this case happens to be the employee), the more we can know whether that “customer’s” needs and expectations are being met and whether that “customer’s” good ideas about how to solve the work-design problem are being heeded.

When MIT professor Lotte Bailyn and her colleagues asked teams of Xerox product development engineers to design their work to make their lives more livable, they created a work arrangement (i.e., fewer meetings, fewer memos) that produced greater work-life balance for themselves *and* resulted in record performance for on-time and under-budget product delivery.

To win the war for talent, ask the talent what it wants!

3. Don't Worry about Changing a Resisting Culture; Just Add to It, One Piece at a Time

All of the talk about how corporate culture can kill any innovations for creative new career tracks can in itself kill innovation. It can become a self-fulfilling prophecy, by discouraging attempts to crack the culture. So we say, don't try to change the culture.

We argue for taking the opposite approach. By focusing on making changes at the local work unit level, changes can get started. This initiates what the leadership literature calls “small wins.” As these small wins accumulate, they build on one another and eventually become part of the culture. So the culture in time becomes a culture of change.

4. Carpe Diem; Relish Your Accountability

The good news in the current corporate environment of high pressure and low resources is that our downsized organizations have also become delayered. This means that there are fewer bosses looking over the manager's shoulder, supervising every move. The manager has a wider span of discretion, more autonomy, as long as he or she gets results. The greater freedom that accompanies this greater accountability makes it possible to manage your work unit in whatever way works best. A big part of this management process is how you design the work of your staff. It's up to you.

5. Learn What Your Staff Wants: Use Self-Assessment Planning Tools

To find good local solutions, an important first step is to ask your staff members what sort of balance they want. One way to do this is to use the self-assessment tools developed by Barnett and her colleagues (reproduced in Boxes 1–3). If you have a team of employees doing similar work, you could have them do these self-assessments and then discuss the results in a team meeting. As a team, you and they could figure out what work-hours arrangements would be best.

If you have people who do quite different work, you might want to do this on a one-on-one basis. (But if you do, make sure that the consultation process is done fairly, so that everyone has an equal opportunity to participate in the design of his or her work hours.)

6. Don't Forget to Include Yourself

It is important that you also think about your own needs for balance and integration as you are going through this process. This is important for two reasons. First, you serve as a model communicating to people that balance is valued in the organization and is something that managers and executives

think about. Second, when you go through these self-assessment instruments (perhaps with your spouse or partner), you may find that you, in fact, want to do some redesign of your own work hours. And if you do, this will probably make you a more satisfied and productive member of the organization. (It will also serve as another kind of modeling, to help change the culture some more.)

Increasingly, we are hearing CEOs and other very senior leaders talk about the significance of balance in their lives. For example, Herb Kelleher, the fabled chief executive officer of Southwest Airlines—a company that ranks in the top levels in terms of the percentage of women officers—preaches and practices the need for balance and fun in organizational life. Even Jack Welch has spoken of the importance of work and personal life as a key part of an executive's identity. So, the more you, the manager or executive, show your employees that you yourself are practicing balance, as well as helping others to do so, the more you are enabling and encouraging them to do the same. On the other hand, if you say in so many words and deeds that balance is OK for them but not for you, then it won't in fact be good for them, and you in lose two ways.

7. Demand Accountability—For Results, Not Time

Most important, don't lose sight of why you are making these changes in how you manage the work: to produce gains for the business, for employees, and for customers or clients. Keep a close eye on measures in all three areas. Expect high levels of productivity and financial return. Share these results with your staff as one way of getting collective feedback on how your work-design experiments are working.

Find ways to gather data from employees about how the work arrangements are working for them personally, and for their families and significant others. This measurement could take the form of periodic focus groups, check-ins at regular staff meetings, or brief online surveys. Similar meth-

ods could be used (and probably already are) with customers or clients. There are lots of tools out there. The most important is to raise the question and to work collaboratively with your staff to gather and look at the data.

The Result: A Learning Culture

The end result of all of these changes is a work culture in which you and your staff work together in a continuous learning mode. No one is claiming to possess the ultimate truth—the one best way to design work to balance work and personal needs. What you are doing is asking good questions together and engaging in creative problem solving to find answers that work for all of you. It's very much like creating any other new product or process. In the high speed world of the new economy, the stress is on getting a new idea to the market as quickly as possible, recognizing that it will not be perfect and that you will be creating new improved versions as you go along and learning from experience. In creating new work-hours arrangements, as in life in general, experience can be the best teacher—if you can learn from it.

CONCLUDING THOUGHTS

Periods of time away from work each week, in the form of reduced work hours, can have beneficial effects on employee creativity, work quality, satisfaction, and retention. These are major tools to help the firm in winning the war for talent.

- A significant percentage of the professional work force (over half) would like to work fewer hours each week.

- However, the critical factor in a professional employee's satisfaction is not the objective or actual number of hours worked. What matters most is the *subjective* meaning of hours—that is, the required tradeoffs, the quality of the experience in the reduced-hours job, and the fit between the employee's preferences and the number of hours worked.

- Thus, employing organizations need

to provide professional employees with tools to help them assess their own needs and to assist in deciding what kind of work schedule would provide the best match.

- Employee willingness to opt for reduced-hours schedules is not a simple matter of scheduling. Redesigning work arrangements entails changing organizational cultures and careers. Viable reduced-hours career options require concomitant changes in the areas of compensation, assignments, and promotions.

- Potential unintended consequences

must also be considered, such as the possible regendering of certain professional specialties. By following the recommendations presented in this paper, we argue that a firm can take thoughtful, progressive steps that will simultaneously accommodate the life patterns of the contemporary professional employee and the dynamic business needs of the firm.

- Overall, it is more productive and cost-effective for management to design the work arrangement to fit the human than it is to force the human to fit the system.



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