The Right Fit – Flexible Work: Talking Points & Data

The following summarize the main benefits of flexible work. Each talking point also includes subpoints, along with substantiating data for making the business case for companies.

- Flexible Work Options “Work” for Companies
- Flexible Work Options Attract and Retain Talent
- Flexible Work Options are Good for Business
- Flexible Work Options Increase Job Satisfaction
- Flexible Work Options Are Environmentally Friendly
- Flexible Work Options Are Here to Stay

• **Flexible Work Options “Work” for Companies**

Increasingly, flexibility is becoming synonymous with successful companies. The companies offering flexible working oftentimes are high-growth companies that rank high in their professional categories. Additionally, professional services sectors such as A/E/C, have been identified as having a high potential for remote work.

- **Conducive for A/E/C companies**
  - Professional services sectors ranked in top 3 out of 18 sectors with the highest potential for remote work (#1-Finance/Insurance, #2-Management). \(^1\)
  - Potential share of time spent working remotely by sector in US = 62-75% for Professional Services (Construction = 15-20%, bottom 4) \(^1\)

- **Synonymous with high-growth, successful organizations**
  - 63% of high-growth organizations have enabled productivity anywhere workforce models. \(^2\)
  - 69% of negative or no-growth companies are still focused on where people are going to physically work (favoring all onsite or remote rather than enable hybrid). \(^2\)

- **Enhances company image as family and environmentally friendly**
  - Most popular words workers used to describe Fortune’s “100 Best Companies to Work For”. \(^3\)
    - #1: People
    - #2: Family
    - #3: Time
    - #81: Pay
  - 24% of employees say they’d take a pay cut of up to 10% to help the environment. \(^4\)
  - 70% of employees report they would see their companies in a more favorable light if they helped them reduce their carbon emissions. \(^4\)
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- **Flexible Work Options Attract and Retain Talent**

  Offering flexible work options is a benefit that ensures a business will keep attracting and retaining high quality employees; perks and benefits packages are some of the most common reasons why employees leave or don’t pursue a job. In addition, flexible work options expand the talent pool and options for staffing.

  **Improves recruitment**
  - 2019 FlexJobs Survey: Most important factors when evaluating a job prospect: 5
  - Flexible work options (69%)
  - Work schedule (67%)
  - 2019 FlexJobs Survey: Work flexibility appeals to highly educated and experienced workers. 78% of respondents have at least a college degree: 69% having at least a bachelor’s degree and 28% having a graduate degree. And in their professions, 33% are manager level or higher. 5
  - 2019 FlexJobs Survey: Offering flexible work options can help attract well-educated professionals with solid experience who come from a variety of backgrounds. 97% of respondents are interested in being a flexible worker in the long-term. 5
  - Gen Y’ers are more difficult to recruit (as reported by 56% of hiring managers) and to retain (as reported by 64% of hiring managers), but they are particularly attracted to flexible work arrangements (rating among benefits as an 8 on a 10 scale for impact on overall job satisfaction). 4

  **Expands the talent pool**
  - Over 40% of employers are feeling the labor pinch; that will worsen as Boomers retire. 4
  - Over 70% of employees report that the ability to telecommute will be somewhat-to-extremely important in choosing their next job. 4
  - Reduces geographic boundaries. 4
  - Provides access to disabled workers. 4
  - Offers an alternative that would have otherwise kept parents and senior caregivers out of the workforce. 4
  - Offers geographic, socioeconomic, and cultural diversity that would not otherwise be possible. 4
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- **Reduces employee turnover**
  - Losing a valued employee can cost an employer $10,000 to $30,000. Recruiting and training a new hire cost thousands. ⁴
  - A 25% reduction in voluntary turnover, representing $219,966 in savings ⁶
  - 27% of workers say that the ability to work from home is so important to them that they are willing to take a 10%-20% pay cut to work remotely. ⁷
  - 2019 FlexJobs Survey: 30% of workers have reported leaving a job because it did not offer flexible work options and 14% considered leaving a job but decided to stay despite the lack of work flexibility. ⁵
  - 2020 FlexJobs Survey: 81% of survey respondents say they would be more loyal to their employer if they had flexible work options. ⁸
  - 78% of managers think flexible working hours help retain and motivate important staff members. ³
  - 80% of employees consider telework a job perk. ⁴
  - 14% of Americans have changed jobs to shorten the commute. ⁴
  - 46% of companies that allow telework say it has reduced attrition. ⁴
  - 95% of employers say telework has a high impact on employee retention.⁴
  - Almost half of employees feel their commute is getting worse; 70% of them feel their employers should take the lead in helping them solve the problem ⁴
  - 92% of employees are concerned with the high cost of fuel and 80% of them specifically cite the cost of commuting to work. 73% feel their employers should take the lead in helping them reduce their commuting costs. ⁴
  - Two-thirds of employees would take another job to ease the commute. ⁴

- **Slows the brain-drain due to retiring Boomers**
  - 75% of retirees want to continue to work – but they want the flexibility to enjoy their retirement. ⁴
  - 36% of retirees say the ability to work part-time rather than full-time, or to work from home would have encouraged them to keep working – even if it didn’t provide health benefits or meant a temporarily reduced pension. ⁴
  - 38% of surveyed retirees indicated that being able to work seasonally or on an independent contractor basis would have encouraged them to delay retirement. ⁴
  - 71% of retired workers who later decided to go back to work, originally retired because of a desire for more flexibility than their job offered. ⁴
Flexible Work Options are Good for Business

Flexible work hours are a great perk - and free for an organization to offer. There are often tangible cost savings associated with lowering direct costs (e.g., fringe benefits) and indirect costs (e.g., rent) associated with the brick-and-mortar footprint. Additionally, flexible work models improve a company’s return on investment in its employees, increase productivity and ensure continuity of operations, not just during the pandemic, but during any challenging times.

- **Saves employers money (Indirect Costs)**
  - Nearly six out of ten employers identify cost savings as a significant benefit to telecommuting.  
  - Businesses lose $600 billion a year in workplace distractions.  
  - Average real estate savings with full-time telework is $10,000/employee/year.  
  - Partial telework can offer real estate savings by instituting an office hoteling program.  
  - Offers inexpensive compliance with ADA for disabled workers.  
  - Examples:  
    - IBM slashed real estate costs by $50 million.  
    - McKesson saves $2 million a year.  
    - Nortel estimates that they save $100,000 per employee they don’t have to relocate.  
    - Sun Microsystems saves $68 million a year in real estate costs.  
    - FlexJobs real estate savings from having a 100% remote workforce (from 2007-2018): $1,066,500

- **Saves employers money (Direct Costs)**
  - For an employer, job sharing is the equivalent of full-time work without offering benefits.  
  - 2019 FlexJobs Survey: 28% of respondents said they would take a 10% or 20% cut in pay; 21% are willing to forfeit vacation time; 16% said they would give up employer-matching retirement contributions.  
  - 36% of employees would choose telecommuting over a pay raise.  
  - Examples:  
    - FlexJobs transit subsidies savings from having a 100% remote workforce (from 2007-2018): $105,740  
    - Dow Chemical and Nortel save over 30% on non-real estate costs.
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- **Reduces unscheduled absences**
  - Unscheduled absences cost employers $1,800/employee/year; that adds up to $300 billion/year for U.S. companies.  
  - 78% of employees who call in sick, really aren’t. They do so because of family issues, personal needs, and stress.  
  - Organizations that implemented remote work saw a 63% reduction in unscheduled absences.  
  - FlexJobs impact from having a 100% remote workforce (from 2007-2018): 25% reduction in absenteeism.  
  - Teleworkers typically continue to work when they’re sick (without infecting others).  
  - Teleworkers return to work more quickly following surgery or medical issues.  
  - Flexible hours allow teleworkers to run errands or schedule appointments without losing a full day.

- **Improves ROI for employers**
  - 86% of telecommuters say they are more proactive in their home office  
  - 76% of telecommuters are more willing to put in extra time on work  
  - Flow of projects may increase when maximizing employee satisfaction and productivity  
  - Can extend hours of operation for customer service or technical support  
  - Cuts down on wasted meetings  
    - Asynchronous communications allow people to communicate more efficiently.  
    - Web-based meetings are better-planned and more apt to stay on message.  
  - Increases collaboration  
    - Once telework technologies are in place, employees and contractors can work together without regard to logistics. This substantially increases collaboration options.  
  - Several states, including Virginia, Georgia, and Oregon offer financial incentives for businesses to adopt telework. Other states including Arizona, Vermont, Washington, and Connecticut offer free training to encourage companies to give it a try.  
  - Examples:  
    - Sun Microsystems’ experience suggests that employees spend 60% of the commuting time they save performing work for the company.  
    - AT&T workers work five more hours at home than their office workers.  
    - FlexJobs metrics from having a 100% remote workforce (from 2007-2018): The equivalent number of workdays saved for each team member yearly by not commuting at average frequency/length is 22.9 days and at extreme is 72.2 days.
Increases Productivity
- By allowing workers to pick when they work, businesses can take advantage of each individual’s most productive hours.
- Flexible schedules can mean avoiding rush hour and gaining productivity.
- Remote working minimizes time spent commuting, thus increasing productive hours.
- Part-time positions can help increase productivity.
- Research shows that remote workers are 35% to 40% more productive than their in-office counterparts.\(^7\)
- Among performance-based remote work statistics in 2020, 94% of surveyed employers report that company productivity has been the same (67%) or higher (27%) since employees started working from home during the pandemic.\(^7\)
- 49% of working mothers and 50% of working fathers say they are more productive working from home.\(^7\)
- In a Boston Consulting Group study, 75% of employees working remotely report being able to maintain or improve productivity on their individual tasks, and 51% say the same about collaborative tasks.\(^7\)
- How Remote Work Affects Productivity: (2019 FlexJobs Survey)\(^5\)
  - 65% of respondents think they would be more productive working from home than working in a traditional office environment due to fewer distractions (74%), fewer interruptions from colleagues (72%), reduced stress from commuting (70%), and minimal office politics (64%).
  - Probably about the same productivity (32%)
  - Less productive in a home office (3%)
- 2019 FlexJobs Survey: Only 8% of respondents said the office during work hours is where they’re most productive.\(^5\)
- 2020 FlexJobs Survey: 51% of survey respondents indicate that they have been more productive working from home during COVID-19, and 95% of respondents say productivity has been higher or the same while working remotely.\(^8\)
  - Top reasons respondents gave for their increased productivity include:
    - Fewer interruptions (68%)
    - More focused time (63%)
    - Quieter work environment (68%)
    - More comfortable workplace (66%)
    - Avoiding office politics (55%)
- Working from home results in a 10-20% increase in employee productivity\(^3\)
- Over two-thirds of employers’ report increased productivity among their telecommuters.\(^4\)
A Stanford study found a 13% improvement in performance when employees worked from home. And 32% of managers say that remote work during the pandemic increased productivity. 10
More employee respondents say they’re more productive now than they were before the pandemic (34% vs. 28%). And more executives agree: over half (52%) say average employee productivity has improved vs. 44% who said the same in June. 11
Examples:
- Best Buy, British Telecom, Dow Chemical, and many others show that teleworkers are 35-40% more productive. 4
- JD Edwards teleworkers are 20-25% more productive than their office counterparts. 4
- American Express workers produced 43% more than their office-based counterparts. 4
- Compaq increased productivity 15-45%. 4
- FlexJobs metrics from having a 100% remote workforce (from 2007-2018): An increase in productivity of 15% on average, representing a savings of $3,546,113 6

Ensures continuity of operations
- Three-quarters of teleworkers say they could continue to work in the event of a disaster compared with just 28% of non-teleworkers. 4
Examples:
- FlexJobs continuity of operations savings from having a 100% remote workforce (from 2007-2018): $108,944 6
Flexible Work Options Increase Job Satisfaction

Built-in flexibility reduces employee burnout and improves work-life balance, leading to increased job satisfaction. People are sick of the rat-race, eager to take control of their lives, and desperate to find a balance between work and life. Flexible work models empower employees by increasing their feeling of personal control over their schedule and work environment. Empowerment appeals to the entrepreneurial spirit and a renewed sense of health and vigor on the job - which is good for employees and businesses alike.

- **Boosts employee morale and happiness**
  - Despite a tumultuous year in 2020, remote workers report a Workforce Happiness Index of 75 out of 100, compared to 71 for in-office employees.\(^7\)
  - Federal Employee Engagement - cited as a measure of morale rose from a score of 68 in 2019 to 72 in 2021 (after a 56% increase in teleworking), despite that 48 percent of the more than 600,000 federal workers who responded the survey last fall said their work demands increased somewhat or greatly because of the pandemic.\(^12\)

- **Leads to better mental health**
  - In a survey with Mental Health America, FlexJobs found that respondents with flexible work options (including remote work) report better mental health. In fact, employees without access to flexible work are nearly two times more likely to have poor or very poor mental health.\(^7\)
  - Of those who do have flexible work options, 48% say their work-life balance is excellent or very good, and 54% have the emotional support they need at work, compared to 36% and 45% for respondents without flexible work.\(^7\)
  - 2019 FlexJobs Survey: 44% said a job with flexibility would have a “huge improvement” on their overall quality of life, and 53% said it would have a “positive impact.”\(^5\)
  - 2019 FlexJobs Survey: 78% of people said having a flexible job would allow them to be healthier (eat better, exercise more, etc.), and 86% said they’d be less stressed.\(^5\)
  - Telecommuter’s report having 25% less stress\(^3\)
  - 80% say they maintain a better work-life balance by telecommuting\(^3\)
  - Happier employees: 60% of employees reported an improved work-life balance after ditching the commute and working from home.\(^10\)
  - 92% of people state that having a flexible job would help them take better care of their mental health, reduce stress, and overall become happier.\(^13\)
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- **Improves employee engagement and commitment**
  - Remote employees are more likely to report being satisfied with their jobs than office-based workers (57% vs. 50%) 7
  - All in all, those working from home reported more positive measurements on almost every question related to job satisfaction 7
  - 85% of people who feel they can be productive everywhere say that they plan to stay with their company for a long time. 2

- **Flexible Work Options Are Environmentally Friendly**
  For companies that are environmentally conscious, providing flexible work options allows them to play a part in significantly reducing negative impacts to the environment from commuting and energy consumption.
  - **Reduces greenhouse gas emissions and improves air quality**
    - When 3.9 million employees work from home at least half time, they reduce greenhouse gas emissions by the equivalent of taking more than 600,000 cars off the road for an entire year. Considering that 1 in 4 Americans are expected to work remotely in 2021 (approximately 39 million), that number jumps to 6,000,000 cars. With an estimated 13 to 27 million people working from home in coming years, remote work could reduce commuting miles by 70 to 140 billion every year! 7
    - Every day of telecommuting saves 423,000 tons of greenhouse gas - the equivalent of taking 77,000 cars off the road for a year 3
    - Examples:
      - Sun Microsystems reported that its 24,000 U.S. employees participating in the Open Work Program avoided producing 32,000 metric tons of CO2 last year by driving less often to and from work. 4
      - FlexJobs metrics from having a 100% remote workforce (from 2007-2018): 6
        - Total air quality savings: 50.49 metric tons (4.59 metric tons per year)
        - Total greenhouse gas savings: 4,818 metric tons (438 metric tons per year)
          (equivalent of taking 75 cars off the road for a year)
  - **Savings on gas, oil, and energy**
    - 80% of workers in the US get to work by driving alone in a car 3
    - 50 million teleworkers could save 587 million barrels of oil - equivalent to 74% of US gulf imports 3
    - Office equipment energy consumption rate is twice that of home office equipment energy consumption. 4
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- **Examples:**
  - FlexJobs metrics from having a 100% remote workforce (from 2007-2018): 6
    - Vehicle miles not traveled: 952,198
    - Vehicle trips avoided: 64,075
    - Gas savings: 46,906 gallons
    - Oil savings: 2,393 barrels

- **Flexible Work Options Are Here to Stay**
  Millions of previously office-bound employees started working from home when COVID-19 took the world by storm. Although the sudden switch wasn’t without its roadblocks, the benefits of working from home have become apparent to even the biggest skeptics. So much so that many companies are incorporating remote work into their long-term plans. The pandemic was, in many ways, the tipping point for remote and flexible work.

  - **Increased desire for flexible work options**
    - Two-thirds of people want to work from home. 4
    - A majority of workers (83%) prefer a hybrid work model, but a variety of factors influence their ability to thrive, whether they’re onsite or off. 2
    - 65% of respondents report wanting to be full-time remote employee’s post-pandemic, and 31% want a hybrid remote work environment—that’s 96% who desire some form of remote work. 7
    - 25-30% of the entire U.S. workforce will be working from home several days a week by the end of 2021. 10
    - Less than one in five executives say they want to return to the office as it was pre-pandemic. The rest are grappling with how widely to extend remote work options, with just 13% of executives prepared to let go of the office for good. Meanwhile, 87% of employees say the office is important for collaborating with team members and building relationships — their top-rated needs for the office. 11
    - Over half of employees (55%) would prefer to be remote at least three days a week. 11
Relevant, long-term work model

- According to Upwork, 41.8% of the American workforce continues to work remotely. Although an estimated 26.7% will still be working from home through 2021, 36.2 million Americans (22% of the workforce) will be working remotely by 2025. This is a staggering 87% increase from the number of remote workers prior to the pandemic!  
- FlexJobs 2020 Survey: Thanks to the better work-life balance, 65% of respondents want to become full-time remote employees post-pandemic, while 31% would prefer a hybrid work arrangement, with some of the days at home and some of the days in the office. 
- 82% of hiring managers anticipate their workforce being more remote in the future than pre-COVID, with nearly half (47%) saying they’ll let employees work remotely full-time. 
- The largest employer in the U.S. (government) is set to embrace remote and hybrid work on a permanent basis for many of its workers. 
- A Gartner survey of company leaders found that 80% plan to allow employees to work remotely at least part of the time after the pandemic, and 47% will allow employees to work from home full-time. In a PwC survey of 669 CEOs, 78% agree that remote collaboration is here to stay for the long-term. 
- FlexJobs 2020 Survey: 61% of workers review remote work more positively and why 50% also say their employer views remote work favorably now. 
- The shift in positive attitudes toward remote work is evident: 83% of employers now say the shift to remote work has been successful for their company, compared to 73%.
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- **Specific to Firm Size**
  - In general, the largest firms (more than 500 employees) and the smallest firms (fewer than 10 employees) offer the most flexibility benefits; however, the types of benefits offered are different.  
  - Overall, respondents from mid-sized firms (10-250 employees) report the lowest percentages of schedule flexibility and remote work opportunities.  
  - Firms with fewer than 10 employees are more likely to offer schedule flexibility over pay. 75% of respondents from these firms report being offered daily schedule flexibility, and 46-58% of small firms offer weekly schedule flexibility, such as the opportunity to work four, 10-hour days.  
  - Small firms are equally likely to offer location flexibility (the ability to work remotely) as large firms. 50% of respondents from these sized firms report having the option to work remotely.
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References