

Flexible Work Arrangements Work Group

FINAL REPORT

September 2007

The University of Kentucky has made a commitment to work-life issues, as illustrated in excerpts from three recent university documents.

The Top 20 Business Plan¹ states:

UK should allocate special funding strategies to support staff. Improving rewards, the campus environment, and the extent to which staff maintain a positive balance between work and life will promote higher levels of workplace satisfaction and productivity.

The 2006-2009 Strategic Plan² Goal I, Objective 4 states, in part:

...[such] efforts will foster and sustain an enjoyable professional climate in which employees can manage effectively the way they live, work, and raise their families.

The UK@Work Survey results reflect the following statistics³:

- Four of 10 staff respondents (41%) who identified themselves as managers/supervisors believe that they have a large or great extent of responsibility to help employees with balancing work and life issues.
- Nearly nine of ten manager/supervisor respondents (86%) rate training on assisting employees with work and family responsibilities and training on how to implement flexibility policies and programs would be valuable.
- Nine of ten manager/supervisor respondents (90%) value materials about the university's policies and programs for managing work and family responsibilities.
- **Almost two-thirds of all staff survey respondents (61%) rated workshops for supervisors on ways to establish flexible work schedules as being of some or great value.** [emphasis added]

One strategy in building a great place to work entails the creation of an environment that helps employees be effective and productive, through the ability to manage work, family, and personal responsibilities.

¹ The Top 20 Business Plan can be viewed in its entirety at http://www.uky.edu/OPBPA/business_plan.htm

² The 2006-2009 Strategic Plan can be viewed in its entirety at http://www.uky.edu/ucapp/files/Strategic_Plan.pdf

³ The specific statistics can be found at http://www.uky.edu/HR/WorkLife/survey_worklife_support.html. The entire report is available at http://www.uky.edu/HR/WorkLife/survey_results.html.

I. INTRODUCTION

The Flexible Work Arrangements work group (work group) held its first meeting on Tuesday, April 3, 2007. The primary purpose of the work group was to develop recommendations for a university-level policy for the establishment and management of flexible work arrangements at UK. A secondary purpose was to develop guidelines for employees and supervisors for proposing, defining, implementing and managing such arrangements.

Each member received a folder with a variety of information on work-life issues and, specifically, flexible work arrangements and best practices.

The work group met weekly from April through August 2007. During the first few meetings, members gathered vast amount of information from benchmarks, work-life entities and general best practices. That information was eventually whittled down into a manageable amount of data, which was then developed into the work group's final documents.

II. COMMITTEE MEMBERSHIP

Brothers, Sheila	Office of the Senate Council
Gay, Michael	Employee Relations
Higdon, Courtney	Office of the Exec. Vice President for Health Affairs
Kanatzar, Terri	Elder Care
Ryder, Jim	UKMC Physical Plant Division
Wong, Kathryn	Teaching and Academic Support Center

III. PROCESS

The work group recognized the need to review pre-existing policies, guidelines, etc. being used by other entities, especially universities similar in size and shape to UK. Two universities, the University of Iowa and the University of North Carolina, both stood out as having very well-developed flexible work arrangement policies and associated web sites. We borrowed heavily from them and personnel from both institutions are agreeable to UK using their language, examples, etc. in UK's policy, guidelines and Letter of Understanding.

Prior to any go-live, the work group suggests that an appropriate individual officially confirm the willingness of those universities for UK to utilize some of their wording. Due to substantial revisions, however, the documents submitted by

the work group may now bear little resemblance to the original documents prepared by the universities listed above.

IV. DOCUMENTS

There are four official documents (aside from this report) that have been created as a result of the efforts of the work group: 1. Policy; 2. Guidelines; 3. Letter of Understanding; and 4. Implementation Suggestions.

A. Policy (Appendix I)

The policy is very broad and does not contain much in the way of specific requirements. This was done to ensure that flexible work arrangements (FWA) would indeed be flexible – while examples are helpful, there will always be some type of FWA that cannot be pigeon-holed. There are a few aspects of FWA that work group members thought must be codified, so those select pieces of information were included in the policy (i.e. denial of request for FWA must be in writing, Letter of Understanding must explicitly outline changes to pay and benefits, a pilot period must be utilized, etc.).

In discussion with the University of Iowa (UI), their work-life director expressed regret that information gathering regarding FWA at UI is *voluntary*. Requiring that departments submit the Letter of Understanding (see below, C.) to Human Resources (HR) will ensure that information from the Letter can be entered into an SAP database while not being seen as cumbersome or an undue burden on departments. A searchable, electronic record of all FWA at UK will allow the Office of Work-Life to track FWA, look for trends, identify problems, etc. In addition, and with appropriate aforethought, contact information for supervisors could be shared with other supervisors for informal support.

The work group believed that requiring large amounts of paperwork be sent to HR would likely result in a decrease in compliance regarding submitting the required paperwork. Therefore, the Letter was designed specifically so that by sending just this one document to Employee Records, all necessary information can be recorded.

The work group recommends the following information, at a minimum, be kept in an HR database:

1. Name of employee;
2. Sex of employee;
3. Supervisor's name and contact information (email & phone);
4. College/administrative unit name;
5. Department/division/center name;
6. Employee's job title and grade;
7. Type of FWA;
8. Annual review date;

9. End date, if any; and
10. Reason for end of FWA, if available.

Keeping such information on file will likely be useful for a variety of reasons.

B. Guidelines (Appendix II)

The Guidelines are intended to help employees and supervisors determine if an FWA will be a good fit for the employee and department. Guidelines contain more detailed information about each particular FWA type, as well as what types of questions should be asked and answered before venturing into any FWA. Given the diversity of employees and work sites at UK, the work group thought it best that this type of information *not* be codified into a formal policy, but rather detailed in a flexible document that can easily (and without undue administrative formalities) be updated by HR personnel.

The examples given in the Guidelines were chosen specifically to underscore the wide variety of situations in which a FWA can be useful. Care was taken to ensure that by merely perusing the examples, individuals will understand that there will be many reasons for departments, supervisors and employees to explore a FWA. (Please see “Note” regarding not needing to know “why” an employee desires an FWA.)

It is not the sole responsibility of the supervisor to make an employee’s FWA function properly; the responsibility lies equally with both parties. It should be obvious that a supervisor has the authority to not just grant a continuance or deny a request, but also has the authority to suggest modifications and engage the employee in a negotiation about the FWA.

In the event that a supervisor is faced with multiple, competing requests for FWA, the supervisor should consider suggesting that the various employees sit down together to work out a plan, which could then be presented to the supervisor. In this situation, as at all times when a supervisor reviews requests for FWA, the supervisor retains the right to deny any request, so long as an appropriate rationale is given.

In those departments for which FWA are a possibility, guiding principles should be established to help ensure that the needs of the department (and its employees and customers) are met. These guiding principles will help supervisors determine the parameters of a FWA and possibly alleviate safety concerns.

For example, a clinical laboratory may have a guiding principle that no employee is allowed to work alone in a laboratory – all work must be done in pairs. In this situation, it would be clear to employees of the laboratory that if an employee wishes to request a FWA, it will be incumbent upon the employee to identify a

Flexible Work Arrangements Work Group
FINAL REPORT

colleague who might benefit from a similar FWA, so there will be two employees working together in the laboratory.

Another possibility is that a student-oriented office might mandate that during August when students are moving into dorms, all employees are required to work Monday through Friday, 8 - 4:30 pm. In this case, an employee requesting, for example, a FWA for a compressed workweek, would understand from the outset that during the month of August, the FWA would not be allowed and the employee would be required to work M-F, 8 - 4:30 pm from August 1 through August 31.

Note: The work group purposely omitted any reference to questions from a supervisor about *why* an employee may request an FWA. An explanation of the reason why an employee wishes to take advantage of an FWA should be required only in the cases of disability and reasonable accommodation. As long as there is an expectation that a FWA will be advantageous for all parties involved, it does not matter if the impetus was a desire to stay home with the kids one day a week; volunteer at a church; spend time with an elderly relative; or get home early on Friday afternoons to relax. A department could be in a difficult legal situation if a supervisor makes decisions to grant and deny requests for FWA based on the rationale behind the request, rather than on the likelihood of a successful FWA.

C. Letter of Understanding (Appendix III)

The Letter of Understanding (Letter) is a template for departments to use as a formal, written response to an employee's request for an FWA. There is a wide variety of information that should be included, which will depend upon the type of FWA requested. The purpose of the Letter is NOT to create a binding, legal contract, but rather to ensure that all parties are aware of the changes that a FWA will bring.

While the Letter outlines all the details of an FWA, it does *not* include the decision to grant or reject an FWA. The prediction of the success of an FWA lies in the successful completion of the pilot period, during which any problems or issues can be resolved, or can be identified as insurmountable. The Letter assumes a positive outcome, so it outlines all the details of the FWA (changes to daily or weekly schedule, alternative work site, etc.) and all the changes in salary, benefits and paid leave accruals (vacation, temporary disability and holiday). However, the preparation of a Letter ONLY indicates a willingness on the part of the department to engage in a pilot period.

The decision by the supervisor regarding allowing a continuance of the FWA should be documented at the bottom of the Letter – there are two signature areas. One is for the pilot period, and the other is used once a supervisor agrees that the FWA can continue past the pilot period. The supervisor can grant with no

Flexible Work Arrangements Work Group
FINAL REPORT

modifications, grant with modifications or deny. Granting a continuance with modifications will require, obviously, an additional, written document outlining the changes. The rationale for denying a continuance should also be in the form of an additional, written document.

Prior to one pay period (two weeks or one month, depending on the employee) before the end of the pilot period, the supervisor and employee should meet. It is during this meeting that the last portion of the Letter should be signed and the employee informed whether or not the supervisor will allow the FWA to continue. In the event that a continuance is not granted, the length of the pay period (length of notice) will give the employee time to rearrange his/her responsibilities to return to the typical Monday through Friday, 8 am – 4:30 pm (or 5:00 pm) work schedule.

(The work group chose to use the term “continuance,” as opposed to “granting” or “approving” the FWA. The use of “continuance” is less likely to imply that the FWA is set in stone and not subject to change. It is very important that all parties involved understand that the final authority to grant, modify or terminate a FWA lies solely with the supervisor and department.)

It may be a good idea for a person(s) in Work-Life to review all Letters of Understanding for FWAs. While this person would not have rejection authority, it might be beneficial to a department for another, more experienced set of eyes to review the paperwork. The work group expects that an employee in Work-Life will be available for consultation by departments prior to any finalization of the Letter by the department.

D. Implementation Suggestions (Appendix IV)

The implementation suggestions were developed by the work group to aid in the process of implementing a formal FWA policy at UK. These are commonsense ideas; there are likely additional actions UK should take to ensure all employees are aware of the opportunity to request FWA.

There are already various FWA in place across the campus. The work group suggests that departments with pre-existing FWA *not* be required to “redo” their FWA to follow the steps outlined in the Guidelines and Policy. While it will be necessary for departments to adhere to the new policy once it is approved, forcing departments to go through an approval process again, unnecessarily, may prove to be a burden. Departments with existing FWA that wish to develop guiding principles or go back and review their FWA with employees, however, should be encouraged to do so. If a department has written agreements on file, it may be beneficial for those departments to ensure that the various aspects of a FWA have been covered, according to the new policy.

Flexible Work Arrangements Work Group
FINAL REPORT

If a supervisor knows that a request by an employee is in the works, but there is a concern on the part of the supervisor or the employee about negative feelings from other employees and problems with morale, it could be beneficial for the supervisor to let all employees know that one employee has requested a FWA. The supervisor should let employees know there is a readiness to receive requests from other employees. It will be helpful to explain that questions will be asked of a number of employees about job duties, etc. to determine if a FWA would work for the one employee and the department. It is extremely important that FWA not be seen as something one person "gets," but rather as a compromise made by a department to help the employee perform better at work and at home. Being open about the process (if appropriate – ADA and FML issues are confidential) will diminish the chance that incorrect information or rumors are spread.

During the test period of implementation, the work group strongly recommends that as many individuals as possible are involved in the review of Letters of Understanding and other processes associated with FWA. The intent is not to slow down the process, but rather to have as many different eyes (and points of view) look over the documents and procedures that will soon be utilized by 9,000+ staff employees. This intense collaboration between HR and select individual departments will help ensure a smoother campuswide implementation.

With the assumption that the FWA policy, guidelines, etc. will be tested in select areas, it will be important to consult with IRIS personnel prior to and during the test period to ensure that SAP will accommodate all aspects of flexible work arrangements. Although Michelle Bliffen (SAP lead, Human Resources/Payroll team) has reviewed the documents developed by the work group and believes there should not be any problems instituting FWA with the current configuration of SAP, it is strongly suggested that prior to the trial period and campuswide implementation, a series of meetings be held with IRIS personnel to ensure a smooth implementation and transition.

In addition, departments will need to pay special attention to the different issues raised if an employee is allowed to work a compressed work week. Because it will result in more than and less than 37.5 (or 40) hours worked in one week, the department and employee will need to understand how overtime computations and retirement contributions will be affected. Although attention should be paid to this particular type of FWA to ensure a full understanding of possible ramifications, compressed work weeks are presently being used successfully in many areas across campus.

Exempt employees will require additional consideration. Because an exempt employee's normal work week shall average at least 40 hours per week, and may average more than 40 hours per week, it will be important for departments to understand how the exempt status should be treated with regard to the Fair Labor Standards Act.

If there is not one already, a good working relationship should be developed between the Office of Work-Life and the Office of Institutional Equity and Equal Opportunity, specifically with Assistant Vice President of Equal Opportunity Patty Bender. It is likely that situations will present themselves in which a “reasonable accommodation” could involve an FWA.

All the documents prepared by the work group assume the employee involved is a healthy employee with no need for reasonable accommodations. These various pieces of paperwork can be used (with discretion) for employees who are utilizing a FWA due to an ADA or FML issue, but there are many, many other aspects to consider, which are not addressed here. In the event of an FWA being used for an ADA or FML issue, the work group strongly suggests that the offices of Employee Relations, Worker’s Compensation, and Institutional Equity and Equal Opportunity all be involved.

Finally, the work group suggests that prior to campuswide implementation, a decision should be made by HR as to whether or not any part of a flexible work arrangement is grievable. That is, HR will need to determine if there are any grounds for an employee to initiate the grievance process because of some aspect of a FWA.

V. BENEFITS TO DEPARTMENTS, SUPERVISORS AND STAFF EMPLOYEES

It is anticipated that some departments will benefit from flexible work arrangements for a variety of reasons. In one current example, UK Chandler Hospital’s Medical Records department allows and actively suggests telecommuting for certain employees who do not have to be on-site to be productive – it has determined that telecommuting is beneficial to the department in specific job categories. According to Margaret Henderson, a supervisor in Medical Records, transcriptionists, outpatient coders, and tumor registry staff are encouraged to work from home due to limits on available work space at the normal work site in the hospital. In addition, Medical Records uses telecommuting as a recruitment tool. Because it is customary for transcriptionists, coders, and tumor registrars (at entities similar to Chandler Hospital) to work from home, Medical Records offers this type of flexible work arrangement to attract prospective employees in these job categories.

Supervisors will benefit by actively facilitating a work-life-friendly employment atmosphere. There will also be situations in which a supervisor will be able to retain valued, knowledgeable employees who might otherwise resign if their work-life needs are not met. Also, by meeting the work-life needs of employees, supervisors may see improved job performance; an employee who utilizes an FWA and no longer has to worry about a pressing work-life need will be happier and more productive.

VI. CONCLUSION

Flexible work arrangements, as one work group member eloquently explained, are a gift we give to each other. The supervisor gives the gift of trust and adaptability and the employee gives the gift of increased productivity and loyalty. In addition, co-workers give each other flexibility by understanding that not every job or employee is well-suited to a FWA.

Although very little discussion was held by the work group regarding anticipated cost, work groups members believe there will be little to no cost to UK to enact this policy. While implementation will naturally incur a cost to UK in terms of personnel effort and communications (printed materials, etc.), it is unlikely that any department participating in a FWA with its employees will be subjected to prohibitive costs. It is possible, however, that a department may need to purchase incidental supplies, computer hardware/software, etc. to accommodate an employee who works from an alternative work site.

The codification of FWA will be a tremendous asset to the University of Kentucky. Although there are a variety of FWA already in place around UK, all individuals involved will appreciate a succinct, explicit policy and an in-depth set of guidelines.

As a whole, the University of Kentucky will benefit from a formal flexible work arrangements policy. While a flexible work arrangement will not work for every employee or job title, the opportunity it presents will be appreciated and used by departments and employees alike. In addition, UK may benefit from merely offering flexible work arrangements – a potential employee who is aware of this possibility may choose to work at UK because of the offering of a wide variety of benefits, including flexible work arrangements. Such an offering may serve as a bellwether of UK's increasing work-life atmosphere.

The work group offers its appreciation to Sarah Bowes and Julia Shaw, both of whom arranged for meeting rooms. In addition, the work group also wishes to thank Vice President for Human Resources Kim Wilson and Operations Director Mary Ferlan for this opportunity to serve the University of Kentucky. Work group members appreciate the willingness by senior administrators to offer staff employees the opportunity to take advantage of flexible work arrangements.