




SHRM Survey Findings: 2016 Strategic Benefits— Flexible Work Arrangements



November 30, 2016




The 2016 Strategic Benefits Survey is part of a survey series administered annually since 2012 by the Society for Human Resource Management (SHRM). This research is used to determine whether various employee benefits are leveraged to recruit and retain top talent. The five-part series features the following topics, which are published as separate survey findings:

- Part 1: Wellness Initiatives
- Part 2: Flexible Work Arrangements
- Part 3: Health Care
- Part 4: Leveraging Benefits to Retain and Recruit Employees
- Part 5: Assessment and Communication of Benefits

In addition to overall results and results over time (where applicable), findings include comparisons of organizations in the high-tech industry and all other industries.

- **Availability and access to flexible work arrangements (FWAs):** Over one-half (56%) of HR professionals indicated their organizations provided employees with the option to use FWAs. HR professionals at high-tech companies were more likely to indicate their organizations provided employees with the option to use FWAs than HR professionals in other industries (76% vs. 46%).
 - » Of organizations that provided employees with the option to use FWAs, about one-half (51%) indicated the majority (more than one-half) of their employees had access to this benefit. HR professionals at high-tech companies were more likely to indicate the majority of their employees had access to this benefit than HR professionals in other industries (64% vs. 41%).
- **Employee use of FWAs:** One-third (33%) of HR professionals from organizations that provided employees with the option to use FWAs indicated employee participation increased last year compared with the year before; just 1% indicated employee participation had decreased, representing a decrease from 2013 (6%) and 2012 (6%).
 - » About one-quarter (23%) indicated overall employee productivity had increased since the implementation of FWAs; very few (5%) indicated productivity had decreased.

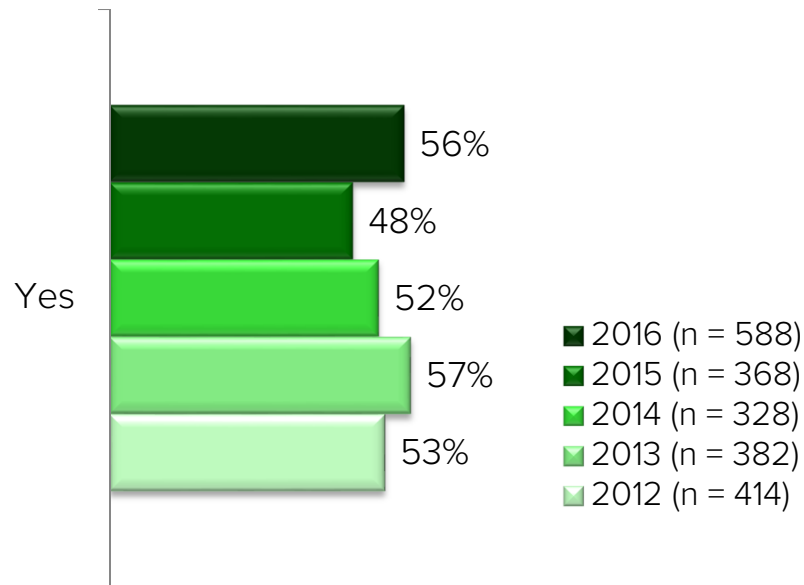
- **Given that access to FWAs is widespread, organizations that don't provide them may face challenges in recruiting and retention.** Therefore, many employees and job seekers may have an expectation that these options will be available to them, particularly in high-tech and professional service industries. This expectation could create challenges for securing talent in roles or organizations in which FWAs are not in place.
- **Demand for FWAs is likely to continue to increase.** Demographic trends indicate that demand for FWAs will probably rise; for example, many members of the Millennial generation now entering their late 20s and early 30s who put off marriage and childrearing during the Great Recession may now be looking to start their own families. Meanwhile, the aging of the workforce could lead employees of all ages to seek out flexibility to take care of an aging parent or relative. These and other trends are likely to continue to fuel the demand for flexible work options.
- **Employers will continue to look for ways to boost productivity through the use of FWAs.** Thus, HR will need to have expertise in all the ways FWAs can be leveraged and implemented, including any relevant technologies and education of line managers and organizational leaders on how to manage flexibility. The use of FWAs does not appear to negatively affect productivity; some HR professionals reported that overall employee productivity had actually *increased* since the implementation of FWAs, and few indicated productivity had decreased. This finding suggests that the use of FWAs can help boost productivity if used strategically and managed effectively. As organizations expand their use of FWAs, they will look to HR to help them build processes, strategies and plans that are more equitable and more effective, and that have an even greater positive impact on their employer brand.

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- **Industries that stand out as more likely to offer FWAs, such as high-tech, are likely to act as models to show what is possible.** High-profile high-tech companies that adopt innovative strategies for workplace flexibility help generate interest in these practices in other industries as well as greater employee demand. They can also push forward the development of technologies that help manage remote work, flexible schedules and other aspects of FWAs.



Flexible Work Arrangements (FWAs)

Does your organization provide employees with the option to use FWAs?



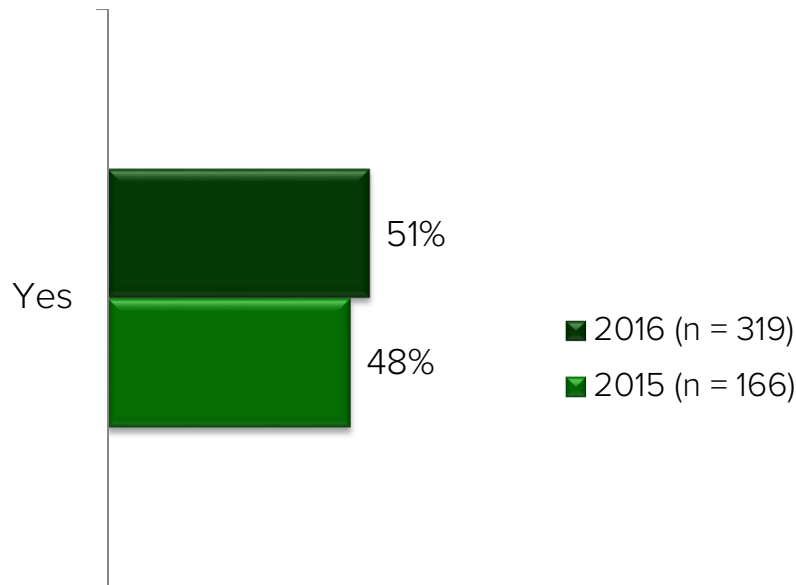
Differences between high-tech companies and all other organizations

High-Tech Companies (n = 190)	All Other Organizations (n = 398)
76%*	46%

**Statistically significant difference between high-tech companies and all other organizations. "All other organizations" does not include high-tech companies.*

Note: Respondents who indicated they were "not sure" were excluded from this analysis. Only "yes" responses are shown.

Do the majority (more than one-half) of employees at your organization have access to FWAs?



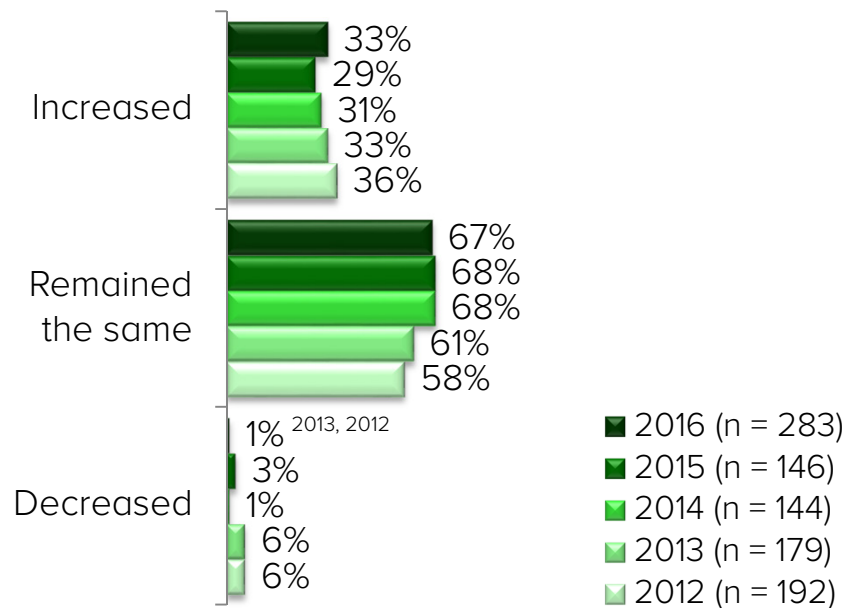
Differences between high-tech companies and all other organizations

High-Tech Companies (n = 137)	All Other Organizations (n = 182)
64%*	41%

**Statistically significant difference between high-tech companies and all other organizations. "All other organizations" does not include high-tech companies.*

Note: Only respondents whose organizations provided employees with the option to use FWAs were asked this question. Respondents who indicated they were "not sure" were excluded from this analysis. Only "yes" responses are shown. Data from 2012-2014 are not shown due to a modification to the wording of the question.

How did employee participation in your organization's FWAs change last year compared with the year before?

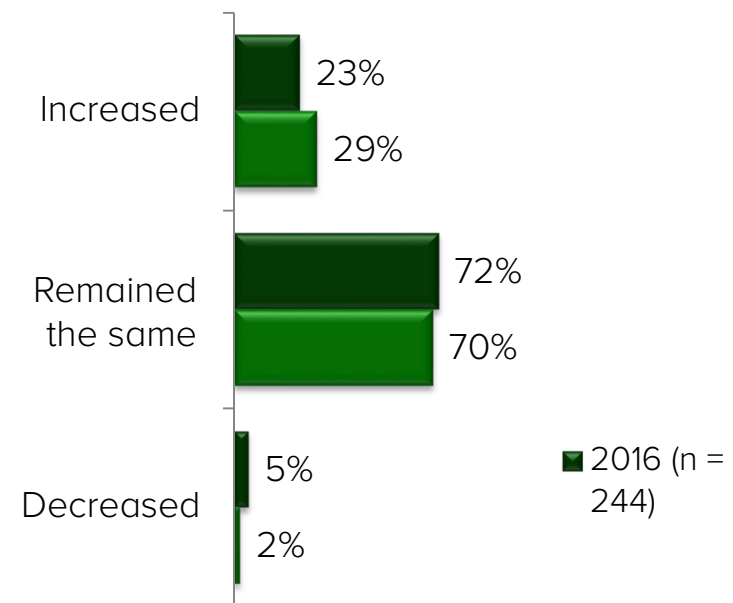


Note: Only respondents whose organizations provided employees with the option to use FWAs were asked this question. Respondents who indicated they were "not sure" were excluded from this analysis. Percentages may not total 100% due to rounding.

²⁰¹³Statistically significant difference from 2013.

²⁰¹²Statistically significant difference from 2012.

Has overall employee productivity increased, remained the same or decreased since the implementation of FWAs?



Note: Only respondents whose organizations provided employees with the option to use FWAs were asked this question. Respondents who indicated they were "not sure" were excluded from this analysis. Percentages may not total 100% due to rounding.



Demographics

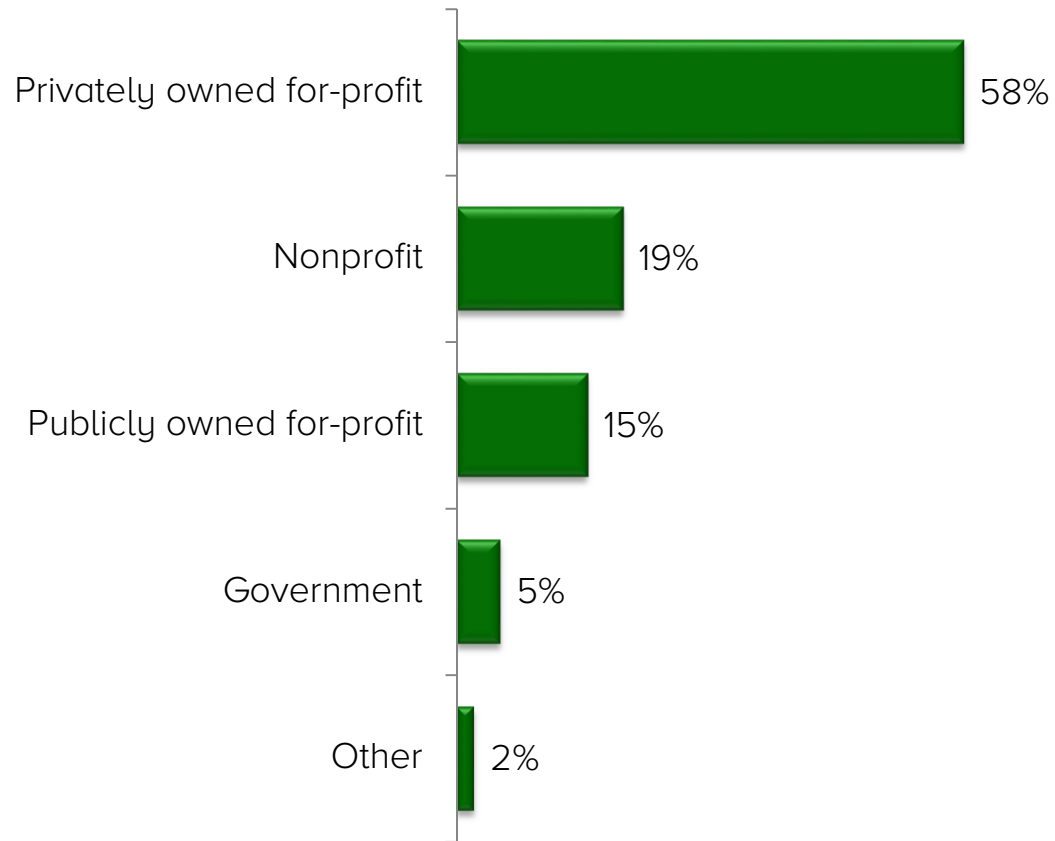
	Percentage
Professional, scientific and technical services	32%
Manufacturing	17%
Health care and social assistance	11%
Finance and insurance	8%
Educational services	7%
Information	6%
Government agencies	5%
Transportation and warehousing	4%
Wholesale trade	4%
Administrative and support, and waste management and remediation services	4%
Retail trade	4%

Note: n = 570. Percentages do not total 100% due to multiple response options.

Demographics: Organization Industry (continued)

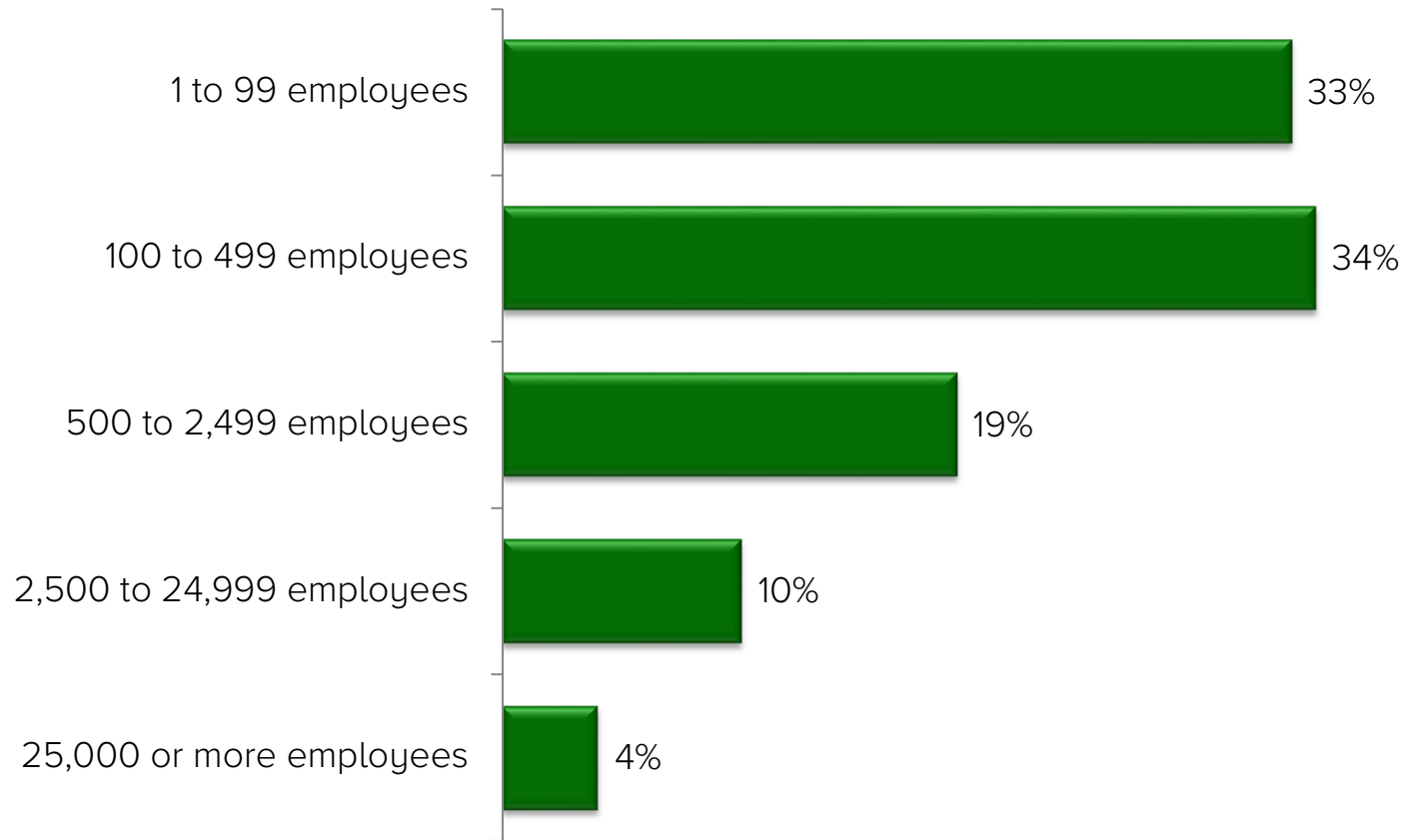
	Percentage
Accommodation and food services	4%
Religious, grant-making, civic, professional and similar organizations	4%
Construction	3%
Arts, entertainment and recreation	3%
Real estate and rental and leasing	2%
Utilities	2%
Repair and maintenance	2%
Agriculture, forestry, fishing and hunting	2%
Mining, quarrying, and oil and gas extraction	1%
Personal and laundry services	1%
Other industry	12%

Note: n = 570. Percentages do not total 100% due to multiple response options.



Note: n = 565. Percentages may not total 100% due to rounding.

Demographics: Organization Staff Size



n = 550

Does your organization have U.S.-based operations (business units) only, or does it operate multinationally?

U.S.-based operations only	71%
Multinational operations	29%

n = 567

What is the HR department/function for which you responded throughout this survey?

Corporate (companywide)	79%
Business unit/division	14%
Facility/location	7%

n = 378

Is your organization a single-unit organization or a multi-unit organization?

Single-unit organization: An organization in which the location and the organization are one and the same.	38%
Multi-unit organization: An organization that has more than one location.	62%

n = 571

For multi-unit organizations, are HR policies and practices determined by the multi-unit headquarters, by each work location or by both?

Multi-unit headquarters determines HR policies and practices.	55%
Each work location determines HR policies and practices.	4%
A combination of both the work location and the multi-unit headquarters determines HR policies and practices.	40%

Note: n = 376. Percentages may not total 100% due to rounding.

Survey Methodology:

- Response rate = 10%
- 738 HR professionals from a randomly selected sample of SHRM's membership participated in this survey
 - » 243 of the 738 HR professionals were from organizations in the high-tech industry
- Margin of error +/- 4%
- Survey fielded April-May 2016

Project Lead:

Karen Wessels, researcher, workforce planning, SHRM Research

Project Contributors:

Evren Esen, director, SHRM-SCP, workforce analytics, SHRM Research

Jennifer Schramm, manager, SHRM-SCP, workforce trends and forecasting, SHRM Research

Samantha DiNicola, SHRM Research



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