Measuring the Economic Benefits of Workplace Flexibility

24th Annual Transportation Research Conference
May 22, 2013
3 Key Points

- Workplace flexibility is making the NEWS
- Workplace flexibility IMPACTS economics
- It is tough to measure the CAUSAL relationship between workplace flexibility and economic benefits.
In the News…

Best Buy, Yahoo And Telecommuting: The Problem Isn't Distance - It's Management

So I was thinking about this situation with Yahoo and telecommuting, and then I saw Best Buy was making headlines for routine in telecommuting too... when I read on CNN this quote from a Best Buy spokesman: "It used to be a right about which a manager had no say. Now it's a conversation." I may at one time have read something stranger about management, but I can't remember when.

Best Buy ends flexible work program for its corporate employees

The move reflects a growing debate on telecommuting sparked by Yahoo ending the practice.
Workforce flexibility defined

Workplace flexibility can be defined in many ways:

• **Flex Time**
  – Daily Flextime - Compressed work week

• **Reduced Time**
  – Part-time - Part-year

• **Flex-Leaves**
  – Time off for illness, taking care of children, parents etc.

• **Flex-Careers**
  – Multiple points for entry, exit and re-entry over the course of careers

• **Flex-Place**
  – Working some or most of work at alternative location
Road Less Traveled

Teleworkers take 80% fewer trips during the day

Teleworkers take 93% fewer daily trips during peak hours

Teleworkers reduced their daily VMT by 92% vs. non-teleworkers on telework days
55

Average Weekly Time Savings per Teleworker (minutes)
$1,500

Estimated Accrued Annual Employee Savings
155,400

Estimated Weekly Miles of Travel Saved
Emission Impacts

- 4,212 eWorkPlace Participants
- means 8.2 million fewer pounds of CO₂ released each year
- which is equivalent to planting 1,000 acres of forest
Findings from Case Studies

– Employees and managers across cases report higher work quality and greater performance effectiveness with flexibility
– Lower turnover rates than industry-standards
– Managers play an important role in implementing flexible workplace policies
(In)ability to tell a causal story

Recommendation:
• Quasi-experimental design
  – Longitudinal
  – research team creates measurements for economic outcomes;
  – Value of qualitative inquiry, understanding importance of workplace context and culture.
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Thank you!

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