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WORKPLACE FLEXIBILITY IN THE UNITED STATES: A STATUS REPORT

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INTRODUCTION

The American workforce has had a number of major transitions throughout history, when societal, economic and technological trends transformed work, workers and workplaces. We are currently experiencing such a shift as increased workplace opportunities for women, investment in home life by men, growing global economic pressures and continually improving communications technology alter the ways in which women and men manage their work, personal and family lives.

In 1950, 34% of women ages 16 and older participated in the labor force. By 2010, this figure rose to 59% for women overall and 71% for women with children.¹ Women now represent 49% of the wage and salaried workforce. Simultaneously, the percentage of couples with both members employed outside the home has risen from 66% in 1977 to 80% in 2008. On average, these women in dual-earner couples provide 45% of their total household income. Despite their greater involvement in the workforce women have not substantially reduced their involvement at home. For example, mothers spend the same number of weekday hours with their children (3.8) in 2008 as they did in 1977 and the majority of married/partnered women report doing most of the cooking (70%) and cleaning (73%) in their households.

Just as women have endeavored to find ways to fit their work, personal and family lives together, so have men. From 1977 to 2008, the average workday time fathers spent with their children increased significantly from 2 to 3.1 hours and their time doing household chores also increased significantly from 1.3 to 2.3 hours a day. In 2008, 49% of employed men with families reported experiencing some or a lot of work-family conflict, a significant increase from 1977 (34%).² The growth in work-family conflict was especially pronounced among four groups of men where at least 60% reported experiencing some or a lot of work-family conflict:

- Men working 50 or more hours a week
- Men with high job demands
- Men with a work-centric worldview
- Fathers in dual-earner couples

As these data show, the search for a good work-life fit is a challenge that faces many employees today, both men and women. Employers who address this challenge and help their employees work more flexibly are more likely to be productive, competitive and profitable in the 21st century.³ To encourage employers to consider how they can garner the benefits of flexibility for their businesses and their employees, the White House Council on Women and Girls hosted The White House Workplace Flexibility Forum in 2010. The forum assembled a diverse, accomplished group—from academia, labor, government, media, nonprofits and business—to consider how private and public enterprises could best meet the challenge of more flexible workplaces.

The conversations that began at the national forum were continued in local gatherings around the country. The Women's Bureau of the Department of Labor took the lead in this process, convening the National Dialogue on Workplace Flexibility (NDWF), a series of forums on workplace flexibility that brought together stakeholders in multiple communities across the nation. Attendees of the National Dialogue's forums included:

- employers
- community leaders
- government agencies and officials
- unions
- researchers
- policy advocates
- concerned citizens

... all of whom contributed to the discussion of how to meet the challenges of providing greater workplace flexibility while simultaneously attaining organizational goals.

Families and Work Institute (FWI) staff participated in each of the forums as keynoters, discussion group members and/or subject matter experts. In addition, FWI distributed original research reports tailored to the topics of each NDWF forum. FWI's reports described the workplace flexibility options available in different industries and among employees with varying employment characteristics as well as the impact that flexibility has on a number of outcomes of interest to employers and employees alike. This summary report includes key findings from the topic-specific reports, along with new information to highlight common assumptions *not* supported by FWI's data, emerging trends, and the relationship of flexibility to various outcomes.

The findings in this and the other NDWF reports are drawn from FWI's two nationally representative surveys: the National Study of the Changing Workforce (NSCW)⁴ and the National Study of Employers (NSE).⁵ Both studies are designed to provide information on the demand for, access to and use of many types of flexibility. Together the two surveys provide a multi-faceted view of workplace flexibility from the perspectives of both employers and employees. (See Endnotes for technical descriptions of each of these studies.)

THE GROUPS

The NDWF sponsored eight forums targeting four industrial sectors, four organizational size categories and three employment populations. We prepared a report on each of the targeted groups, comparing the flexibility offered and used by the target group to one or more comparison groups (usually the average of all other industries, organizational sizes or employee populations). This method provides estimates of the condition of workplace flexibility within each group and a benchmark against which one can evaluate the quality of the flexibility offered.

Since the reports covered a wide range of groups, the employee and employer populations examined in each report varied considerably.⁶ Consequently, each group is subject to different economic, social and legal norms. Interpretations of differences and similarities between groups should be made with these varying norms in mind.

Industrial Sectors

The four industrial sectors included in the reports were defined as organizations whose primary business activities are consistent with the industrial categories presented in the 1990 Standard Industry Classification (SIC) Groups, published by the Census Bureau. (A detailed listing of the relevant SIC groups is included in the Appendix.) The industry of an individual employee matched that of his/her employer, regardless of the employee's specific job functions. For example, both a receptionist working for a hotel and a concierge are employed in the hospitality industry even though the concierge position is unique to the hospitality industry and receptionists are present in most industries. Likewise, a receptionist working for a manufacturing company would be included in the manufacturing sector. The findings in the various NDWF reports based on industrial sectors therefore reflect an industry's general approach to workplace flexibility across the various occupations employed within that industry, not just that industry's most iconic occupations (e.g., assembly line workers in manufacturing or waiters in a restaurant).

The four industrial sectors covered at the NDWF forums are:

- Health Services
- Hospitality, Restaurant and Tourism (HRT)
- Manufacturing
- Retail

Organizational Size

While there are many characteristics of an organization that could be considered in relation to workplace flexibility, organizational size is one of the most important. The number of employees in an organization can influence the resources available to sponsor flexibility initiatives as well

as the potential demand for flexibility. We examined the associations between workplace flexibility and organizational size using four size categories:

- Small organizations
 - 50-99 employees nationwide⁷
 - 100-249 employees nationwide
 - 250-499 employees nationwide
- Larger organizations: 500 or more employees nationwide

Employment Populations

The last three groups examined are based on individual employee characteristics across a range of industries and organization sizes. The wide range of occupations and their relative positions within different organizations in the U.S. workforce make a detailed review of flexibility within all employee populations nearly impossible. The choice to focus on low-wage employees and professional employees provides insight into two key employment groups. Low-wage employees have historically had less access to flexibility making them a population for whom workplace flexibility may prove to be highly influential in the coming years. On the other hand, professionals were among the first employees to gain significant access to standardized workplace flexibility options and so represent a population in which flexibility tends to be better established and may not be seen as a novel work experience.

Low-wage employees: Low-wage respondents were identified as employees earning less than two-thirds of the median hourly income of men in the wage and salaried workforce in 2008 (\$12.82 or about \$13.00 in 2010 dollars). Conversely, employees earning \$12.82 or more an hour are considered higher-wage employees. A little more than one-third (35%) of the U.S. workforce is low-wage employees by this definition.⁸

Professional employees: Professional employees were identified by the occupational categories defined in the 1990 Standard Occupation Codes (SOC), published by the Census Bureau. The occupations classified as professional have the provision of highly specialized advice, training or services (e.g., legal, technical, scientific or creative) as their central function.⁹

In addition to low-wage and professional employees FWI also examined flexibility among primary and secondary school teachers. Though the associated NDWF forum targeted the education industry in general, there is a great difference in the work and scheduling involved in primary and secondary schools versus post-secondary educational institutions, making a pooled analysis of workplace flexibility potentially misleading. FWI, therefore chose to focus on primary and secondary school teachers, an important group of employees whose workplace flexibility needs and options have not been studied as extensively as those of employees in higher education.

UNSUPPORTED ASSUMPTIONS ABOUT WORKPLACE FLEXIBILITY

In business, as in life, people must often make judgments about how to handle situations with the information they have at hand. When unable to get all the facts, people typically rely on assumptions that seem logical, but may not be accurate. Our research for the NDWF reports suggests that at least five common assumptions about workers and workplace flexibility are not supported by FWI's research.

Assumption 1: Employees who have flexibility will take advantage of it

Some managers believe that they must tightly control work schedules or employees won't be available when employers need them and will fail to meet deadlines. G. Brint Ryan, CEO and Managing Principal of Ryan LLC, provides a very personal example in the following quote about the time right before his firm launched an innovative workplace flexibility program (MyRyan) that he describes as "...a results-based work environment that says if you meet financial results and you meet client service scores, you can work whenever you want, wherever you want." He says, "We really believed that there was a chance that the day after this program was announced nobody would show up to work."¹⁰ His fears proved unfounded when people did come to work and the company made record profits the year after the introduction of MyRyan.

FWI's nationally representative findings echo Ryan's experience. For example, few employees who are allowed short-notice schedule flexibility make heavy use of it. Overall, 11% of employees with access to short-notice schedule flexibility use it several times a month or more, 70% use it once a month or less and the remaining 19% never use it. Table 1 shows how the group-specific findings generally parallel the overall findings.

Table 1: Short-Notice Schedule Flexibility

	Have access	Short-Notice Schedule Flexibility		
		Use “several times a month” to “every week or more”	Use “about once a month” or less	Never use
Overall	84%	11%	70%	19%
Health services industry (N=346)	83%	11%	68%	21%
Hospitality, restaurant and tourism industry (N=195)	83%	9%	65%	26%
Manufacturing industry (N=317)	79%	10%	74%	16%
Retail industry (N=567)	81%	10%	73%	17%
Employees by organizational size				
50-99 employees (N=319)	85%	6%	77%	16%
100-249 employees (N=412)	84%	7%	73%	20%
250-499 employees (N=239)	81%	12%	68%	21%
500 or more employees (N=520)	80%	14%	66%	20%
Low-wage employees (N=935)	80%	8%	70%	22%
Professional employees (N=540)	83%	15%	70%	16%
Teachers (N=127)	69%	2%	76%	22%

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

In addition to short-notice schedule flexibility, employees appear to limit their use of time off for personal and children’s illnesses. Across the U.S. workforce, employees take a yearly average of 8 days off for personal illness and employed parents take 3.6 days off to care for a sick child or children.¹¹ Again, we can see that employees in the various groups generally parallel the findings for employees across the U.S. workforce, ranging from 4.8 to 11.6 days off a year for personal illness and between 1.2 and 5.6 days a year to care for sick children. It is difficult to see how such values can be considered excessive, especially when the time taken by employees across various groups in the U.S. workforce is so similar.

Table 2: Sick Leave

	At least 5 paid days a year off:			
	For personal illness		To care for a sick child	
	Access	Average days used in past 3 months	Access	Average days used in past 3 months
Overall	62%	2.0	48%	0.9
Health services industry (N=346)	69%	2.4	44%	0.3
Hospitality, restaurant and tourism industry (N=195)	29%	1.2	39%	0.2
Manufacturing industry (N=317)	53%	1.5	40%	0.7
Retail industry (N=567)	51%	2.3	43%	0.8
Employees by organizational size				
50-99 employees (N=319)	68%	1.4	43%	1.0
100-249 employees (N=412)	68%	1.7	54%	0.8
250-499 employees (N=239)	71%	2.9	40%	0.9
500 or more employees (N=520)	74%	2.3	57%	0.9
Low-wage employees (N=935)	48%	2.0	35%	1.1
Professional employees (N=540)	77%	2.1	61%	1.4
Teachers (N=127)	82%	2.9	76%	1.2

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Note: Estimates for days used to care for a sick child exclude employees without children and those who are not allowed to take time off to care for a sick child.

Assumption 2: Small employers are less flexible because it costs too much

One source of resistance to implementing workplace flexibility is the belief that it will be too expensive or will result in frequently being short-staffed. Such concerns are especially important among small employers who likely have thinner financial and staffing margins to absorb any costs or cover for absent employees than larger employers. As a result, it is generally expected that small organizations will be less flexible than larger organizations.

FWI's data do not support this assumption for two reasons:

1. Small organizations are not more likely to cite costs as a major obstacle to implementing flexibility and only a very small percentage report too few employees as an obstacle. In fact, while 38% of large employers (500 or more employees) indicated that the cost of flexibility or limited funds were major obstacles to flexibility, between 29% and 32% of small employers (50-499 employees) indicated the same thing. In addition, less than 4% of organizations in each small size category cited too few employees as an obstacle. Given these findings,

it is difficult to support the assumption that small organizations are wary of flexibility due to the cost of flexibility programs or small staff sizes.

2. Data from employers (NSE) and employees (NSCW) are not in complete agreement suggesting that while larger organizations are more likely to indicate offering *formal* flexibility programs, smaller organizations still provide some types of flexibility *informally*. Larger employers (500 or more employees) were more likely to indicate offering the following types of flexibility than smaller employers (499 or fewer employees):

- Control over the shifts employees work
- Flexibility in moving between part-time and full-time work while staying at the same level or position

Yet, when considering small organizations alone, employees were more likely to cite access to these forms of flexibility as the organization size grew smaller. These findings suggest that while smaller employers may not maintain certain workplace flexibility options as *formal* organizational policy, many do find a way to provide flexibility to meet the needs of their business and their employees. This discrepancy highlights one of the advantages of maintaining separate surveys for both employers and employees: the ability to identify differences between the formal policies instituted by employers and workplace flexibility as experienced by employees.

Assumption 3: Offering flexibility to low-wage employees isn't worth the investment

Workplace flexibility has often been touted as a way to recruit and retain highly-talented and difficult-to-replace staff, but has less often been seen as a worthwhile investment in low-wage employees. Some employers see low-wage staff as being more prone to turnover and less engaged with the organization than higher-wage staff; and so perhaps they are less deserving of the kinds of retention efforts focused on higher-wage staff, especially when unemployment is high.

Our analyses show that such assumptions may be a self-fulfilling prophecy as organizations that choose not to invest in workplace flexibility for low-wage staff may be missing out on the positive impact flexibility can have on this segment of the workforce.

Data from the NSCW show that low-wage employees with low flexibility are more likely to be less satisfied and less engaged with their jobs than higher-wage employees with similar levels of flexibility. When offered at least moderate workplace flexibility, low- and higher-wage employees show similar levels of job satisfaction and job engagement (Table 3).

On the other hand, workplace flexibility has a more positive relationship with home life interference with work for low-wage employees than for higher-wage employees (Table 3) suggesting that flexibility does more to reduce the occurrence of home life spilling into work for low-wage

employees than it does for higher-wage employees. Our data show that low-wage employees are just as likely to have caregiving responsibilities as higher-wage employees¹² but have fewer financial resources with which to meet these responsibilities. Low-wage employees are also less likely to have partners who can share family responsibilities than higher-wage employees.¹³ Reducing home life interference can help reduce absenteeism by giving employees the flexibility to meet both their home and work responsibilities in a manner that is acceptable to both employers and employees.

Though flexibility does improve the likelihood of remaining with one's current employer among low-wage employees, it does not reach the same levels as found among higher-wage employees (Table 3) with similar levels of flexibility. This is not to say that flexibility is less effective at improving intentions to remain with their employers among low-wage employees. In fact, improved flexibility has approximately the same *magnitude* of effect in both groups (a boost of about 22-25 percentage points). What the unequal likelihood of remaining with one's current employer among higher- and low-wage employees with high flexibility does show is that flexibility cannot be a total substitute for the economic security provided by higher wages.¹⁴

When low-wage employees are treated with the consideration offered to higher-wage employees, we find that employers get a workforce that is more satisfied and engaged with their work, has less home interference with work, and is more likely to stay with their current employer. Though the impact of flexibility does not produce identical outcomes among low- and higher-wage employees, the benefits are sizable for both wage groups. Organizations have much to gain from engaging *all* their employees and developing flexibility options for everyone.

Table 3: Effects of Offering Flexible Work Options

Outcomes	Low-Wage Employees				Higher-Wage Employees			
	Overall workplace flexibility				Overall workplace flexibility			
	Low	Mid	High	Sig.	Low	Mid	High	Sig.
Job satisfaction								
Low	49%	23%	16%	***	38%	21%	9%	***
Mid	36%	33%	22%		35%	34%	29%	
High	15%	44%	62%		27%	46%	62%	
Job engagement								
Low	44%	24%	15%	***	32%	25%	14%	***
Mid	47%	44%	46%		48%	51%	49%	
High	9%	32%	38%		20%	24%	37%	
Home life interference with job								
Less responsibility	23%	35%	44%	***	19%	24%	26%	**
Same responsibility	35%	37%	38%		53%	53%	52%	
More responsibility	28%	28%	19%		28%	24%	22%	
Likelihood of remaining with current employer								
Low	31%	27%	24%	***	19%	10%	5%	***
Mid	41%	26%	24%		25%	21%	16%	
High	28%	47%	53%		57%	69%	79%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Statistical significance: * = $p < .05$; ** = $p < .01$; *** = $p < .001$.

Assumption 4: Managers see flexibility as a favor for individuals

One of the historical challenges of implementing flexibility in many workplaces has been a perception that managers view flexibility as a favor to be bestowed upon a small group of employees that they have labeled as deserving of flexibility rather than as a human resource management tool for the benefit of the entire organization. Findings from the NSE suggest that this perception is inaccurate. Only about one-third (34%) of respondents (human resource directors or the person in charge of the human resource function) believes that managers in their company see flexibility as a favor for individuals rather than as a business strategy. The trend is fairly consistent across the NDWF target sectors with between 60% and 77% of respondents in a sector indicating that managers see flexibility as a business strategy. While the percentage of respondents who believe that managers in their organizations view flexibility as a favor for

individuals remains sizable, the clear majority in the studied sectors believe their fellow managers recognize that flexibility is a business strategy.

Table 4: Flexibility as a Favor for Individuals or a Business Strategy

	A favor for individuals	A strategy for meeting organizational goals
Overall	34%	66%
Health services industry (N=127)	24%	76%
Hospitality, restaurant and tourism industry (N=119)	28%	72%
Manufacturing industry (N=181)	40%	60%
Retail industry (N=47)	23%	77%
Employees by organizational size		
50-99 employees (N=657)	34%	66%
100-249 employees (N=244)	36%	64%
250-499 employees (N=73)	43%	57%
500 or more employees (N=127)	27%	73%

SOURCE: 2008 National Study of Employers, Families and Work Institute

Notes: Primary and secondary schools, the almost exclusive employers of teachers, were not included in this section due to a small sample size (N=7) in the NSE.

Professionals and low-wage employees were excluded from this table because, unlike teachers, these employee populations are present in all industries. It is therefore inappropriate to refer to the attitudes of a specific subsample of employers as representative of the work environments faced by these populations. The relevant item was not included on the NSCW, which gathers information from individual employees not employer representatives, so employee population perceptions of their organization's approach to the "favor or strategy" question could not be evaluated.

A statistical analysis of differences by organizational size was not significant.

Assumption 5: Flexibility is wasted on employees in high turnover industries such as retail, hospitality, restaurant and tourism

Retail and hospitality, restaurant, and tourism (HRT) positions are often thought of as revolving doors, where employees come in to earn a few dollars and then move on to bigger or at least other opportunities. This assumption leads to the conclusion that flexibility for such inherently unstable employees is a waste of time and resources. Our data show that the relationship of flexibility to retention for these industries is far more complex than would normally be assumed.

First, a number of employees in these industries indicate that they are not likely to look for a new job in the next year (48% of retail and 45% of HRT employees). Additionally, when we look at the average expected tenure of employees who are not likely to look for a new job, we find that retail employees expect to remain at their current employers for about 11 years and HRT employees expect to have tenures of about 20 years. Clearly, a sizable proportion of employees

in these industries are not planning to leave their employers anytime soon and see their jobs in this industry as long-term career options. While the turnover rate in these industries is undeniably high, organizations should not fail to support their long-term employees because they also happen to have a large number of short-term employees.

Second, longer expected tenures in these industries are associated with placing greater importance on workplace flexibility. Fifty-four percent of retail employees whose expected tenure is more than five years consider flexibility to be extremely important for their job compared with 40% of those with an expected tenure of five years or less. Similarly, 61% of HRT employees whose expected tenure is more than five years consider flexibility to be extremely important for their jobs compared with 37% of those with an expected tenure of five years or less. This finding shows that flexibility would not be wasted on employees in this industry, as those who are inclined to stay for longer periods of time are more likely to consider flexibility to be an important aspect of their jobs. Furthermore, over a third of those with an expected tenure of five years or less also consider flexibility to be extremely important for their jobs, showing how flexibility is important to a wide range of employees in these industries.

While retail and HRT jobs are probably cheaper to fill than professional positions, this cost is not zero. Recruiting employees with the physical and emotional stamina to handle a constant stream of customer interactions in the midst of their other tasks is not easy. Additionally, training new employees costs additional time and resources and new employees generally perform at less than full capacity during their orientation and training periods. When turnover is high, these costs can quickly add up to significant sums. Organizations in high turnover industries should look to the flexibility they offer to their employees as one way in which they can encourage longer retention times and reduced turnover costs.

EMERGING TRENDS IN WORKPLACE FLEXIBILITY

As described above, we found that several assumptions made about flexibility, employees and employers are not supported by nationally representative research. In addition, we have found support for some emerging trends that employers and employees have begun to indicate on the NSCW and the NSE. We turn to this now.

Employees Are Experiencing a Time Famine

Throughout our studies on workplace flexibility we have found many employees across a variety of industrial, business and employment groups reporting that they do not have enough time to spend on themselves, their spouses/partners and their children. In each of our reports for the NDWF, the majority of employees (60%-69%) indicate that they do not have enough time for themselves or their spouses/partners. The lack of time is most strongly felt by employees

with children, where 71%-75% of each employee group except HRT workers (63%)¹⁵ cites not having enough time for their children (Table 5).

Such consistency is surprising given the wide range of industries and professions represented by the samples. The lack of time to attend to family and oneself in the preferred manner, which we term a “time famine”, appears to impact a diverse array of employees in multiple sectors.

Table 5: Time Famine

Not enough time to spend on/with...	Self	Spouse/ partner	Children
Health services industry	64%	67%	73%
Hospitality, restaurant and tourism industry	69%	63%	63%
Manufacturing industry	61%	64%	75%
Retail industry	54%	55%	68%
Employees by organizational size			
50-99 employees	56%	63%	74%
100-249 employees	63%	63%	75%
250-499 employees	65%	66%	77%
500 or more employees	65%	68%	74%
Low-wage employees	61%	64%	75%
Professional employees	65%	68%	75%
Primary and secondary school teachers	65%	64%	71%

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Notes: Percentages for spouses/partners are of those employees in a couple relationship and percentages for children is limited to those employees acting as a parent to a child.

Interestingly, workplace flexibility is associated with fewer people experiencing time famine. As shown in Table 6, higher levels of overall flexibility is associated with more people indicating that they have enough time for their children, spouses/partners or themselves.

Table 6: Workplace Flexibility and Time Famine among Employees

Enough time with/for...	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Children				
Too much	0%	<1%	<1%	***
Just enough	19%	23%	33%	
Not enough	81%	76%	66%	
Self				
Too much	<1%	2%	2%	***
Just enough	23%	42%	47%	
Not enough	76%	57%	51%	
Spouse/partner				
Too much	<1%	4%	1%	***
Just enough	27%	34%	42%	
Not enough	72%	63%	57%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Notes: Percentages for spouses/partners are of those employees in a couple relationship and percentages for children is limited to those employees acting as a parent to a child.

The Culture of Flexibility Has Room for Improvement

Studies have found that having access to flexibility options is one thing, but having a culture that supports their use is another. Employees can have substantial access to flexibility, but when they feel that its use is not condoned, they might as well not have access. On the other hand, employees may work for organizations with few formal flexibility policies, but with a culture of flexibility that encourages employers and supervisors to work things out so that the flexibility benefits both the organization and the employees. Our data show that a culture of flexibility is as, if not more, important than simply having access to flexibility options. We measure the culture of flexibility by asking whether employees feel that they have to choose between advancing in their jobs and devoting attention to their families and whether there is jeopardy for using flexibility. We find that in all groups, over 50% of respondents disagreed with the statements that 1) they must choose between advancing in their jobs and devoting attention to their family/personal lives and 2) that employees who ask for flexibility are less likely to get ahead in their jobs or careers (Table 7). On one hand, this is very good news showing that a majority of employees have workplaces that support the use of flexibility. On the other hand, the percentage of employees who believe that using flexibility could jeopardize their careers remains very sizable (27%-49%). Perhaps surprisingly, there are no statistically significant differences between men and women on these items.¹⁶ Finally, these

percentages have not changed over the past two decades, with approximately a third of employees citing some jeopardy for accessing flexibility.¹⁷

Importantly, we find that a clear majority of employees (89%-97%) agree that their immediate supervisors are responsive to their needs when they have personal or family business (Table 7). This suggests that immediate supervisors are less likely to be the source of jeopardy for using flexibility than people may expect. Instead the obstacles to using flexibility likely reside with coworkers, senior leaders, clients and with employees' perceptions of the organizational norms. Employers should examine the effect of other organizational forces that may suppress the career options of employees who use flexibility. Two such forces are the reactions of coworkers and influential decision makers (e.g., senior leaders, HR personnel, clients) to the use of flexibility and rules about seniority, promotion, or assignments that may conflict with flexibility policies.

Table 7: Culture of Flexibility

	Must choose between career advancement and family or personal life		Employees who ask for flexibility are less likely to get ahead in their jobs or careers		Immediate supervisor is responsive to my needs when I have personal or family business	
	Agree	Disagree	Agree	Disagree	Agree	Disagree
Health services industry	44%	56%	31%	69%	91%	9%
Hospitality, restaurant and tourism industry	42%	58%	48%	52%	96%	4%
Manufacturing industry	40%	60%	43%	57%	92%	8%
Retail industry	49%	51%	39%	61%	93%	7%
Small business employees						
50-99 employees	40%	60%	39%	61%	96%	4%
100-249 employees	39%	61%	33%	67%	95%	5%
250-499 employees	45%	55%	40%	60%	93%	7%
500 or more employees	47%	53%	38%	62%	89%	11%
Low-wage employees	43%	57%	45%	55%	94%	6%
Primary and secondary school teachers	36%	64%	27%	73%	97%	3%
Professional employees	36%	64%	29%	71%	94%	6%

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Managing a New Workforce

The corporate ladder philosophy is based on the assumption that employees are motivated by a desire to move up a linear hierarchy and assume increasing levels of responsibility. The NSCW examines this assumption by asking respondents if they desire more, less, or the same amount of responsibility in their next job. For the corporate ladder philosophy to remain an effective long-term strategy for motivating employee productivity, employees will need to desire more responsibility than they currently possess at every job level and life stage. Therefore, the corporate ladder philosophy would appear to be especially effective when motivating younger and professional employees who are still forging a career path and/or are being groomed for future leadership positions.

In our report on professional employees, we found that professionals in Gen X (28-42 years old) are less likely to want jobs with more responsibility (37%) than non-professional Gen X employees (47%). This finding should concern employers as Gen X employees are the next generation in line to assume many leadership roles as the Boomers retire. Employers looking to maintain a talent pipeline will need to consider how to keep all employees engaged, not only with their jobs, but also with their career tracks.

An examination of the reasons why some Gen X and Millennial employees do not want more responsibility in their next job shows that professionals are more likely than non-professionals to cite long hours (14% versus 6%) and insufficient flexibility to manage their work and personal lives (14% versus 7%). As shown in Table 8, among those professionals with higher overall flexibility, the desire for the same or greater responsibility is higher than among those with low overall flexibility. Therefore, improved flexibility options for professionals, especially younger professionals may be an effective way to motivate employees to seek positions with greater responsibility.

Table 8: Overall Flexibility and Desire for Responsibility

Outcomes	Professional Gen X and Millennial Employees (n=540)			
	Overall workplace flexibility			
	Low	Mid	High	Sig.
Desire for a job with				
Less responsibility	28%	21%	8%	**
Same responsibility	41%	47%	54%	
More responsibility	31%	32%	39%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Statistical significance: * = $p < .05$; ** = $p < .01$; *** = $p < .001$.

THE POTENTIAL OF WORKPLACE FLEXIBILITY

Perhaps the most important findings in the NDWF reports are the associations between workplace flexibility and several outcomes valued by employers. As shown in Table 9, higher overall flexibility is associated with more employees in each group reporting high job satisfaction.

Table 9: Overall Workplace Flexibility and Job Satisfaction

Job Satisfaction	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Health services				
Low	46%	15%	11%	***
Mid	33%	30%	33%	
High	21%	54%	56%	
Hospitality, restaurant and tourism industry				
Low	57%	14%	24%	***
Mid	35%	32%	14%	
High	8%	54%	62%	
Manufacturing industry				
Low	43%	26%	20%	***
Mid	40%	30%	24%	
High	17%	44%	56%	
Retail industry				
Low	46%	20%	10%	***
Mid	33%	34%	32%	
High	21%	46%	58%	
Small business employees (50-500 employees)				
Low	40%	21%	12%	***
Mid	35%	29%	26%	
High	26%	50%	62%	
Large business employees (500 or more employees)				
Low	43%	24%	11%	***
Mid	32%	38%	32%	
High	25%	38%	58%	
Low-wage employees				
Low	49%	23%	16%	***
Mid	36%	33%	22%	
High	15%	44%	62%	

Table 9: Overall Workplace Flexibility and Job Satisfaction (continued)

Job Satisfaction	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Professionals				
Low	49%	16%	9%	***
Mid	28%	35%	35%	
High	23%	49%	57%	
Primary and secondary school teachers				
Low	31%	11%	0%	**
Mid	36%	29%	43%	
High	33%	60%	57%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Statistical significance: * = $p < .05$; ** = $p < .01$; *** = $p < .001$.

Similarly, as shown in Table 10, in each group except teachers (who perhaps are accustomed to the less flexible schedules that come with their jobs), more employees indicate that they are not very likely to look for a new job in the next year when their level of overall flexibility is high than when it is low.

Table 10: Overall Workplace Flexibility and Searching for a New Job

Likelihood of Looking for a New Job	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Health services				
Very likely	19%	15%	11%	*
Somewhat likely	23%	17%	14%	
Not at all likely	58%	68%	75%	
Hospitality, restaurant and tourism industry				
Very likely	19%	25%	14%	*
Somewhat likely	54%	28%	33%	
Not at all likely	27%	48%	53%	
Manufacturing industry				
Very likely	19%	15%	9%	***
Somewhat likely	35%	21%	15%	
Not at all likely	46%	64%	76%	

Table 10: Overall Workplace Flexibility and Searching for a New Job (continued)

Likelihood of Looking for a New Job	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Retail industry				
Very likely	29%	17%	11%	***
Somewhat likely	25%	22%	19%	
Not at all likely	46%	61%	71%	
Small business employees (50-500 employees)				
Very likely	20%	12%	11%	***
Somewhat likely	28%	20%	17%	
Not at all likely	52%	69%	73%	
Large business employees (500 or more employees)				
Very likely	14%	19%	3%	**
Somewhat likely	29%	17%	22%	
Not at all likely	57%	65%	75%	
Low-wage employees				
Very likely	31%	27%	24%	***
Somewhat likely	41%	26%	24%	
Not at all likely	28%	47%	53%	
Professionals				
Very likely	24%	14%	4%	***
Somewhat likely	17%	19%	13%	
Not at all likely	59%	68%	83%	
Primary and secondary school teachers				
Very likely	11%	7%	0%	ns
Somewhat likely	16%	7%	43%	
Not at all likely	74%	85%	57%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Statistical significance: * = $p < .05$; ** = $p < .01$; *** = $p < .001$.

Better self-assessments of physical health are also associated with greater overall flexibility for each group except health services, HRT and teachers, as shown in Table 11.

Table 11: Overall Workplace Flexibility and Physical Health

Physical Health	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Health services				
Poor	0%	5%	0%	ns
Fair	37%	13%	24%	
Good	45%	57%	47%	
Excellent	19%	26%	29%	
Hospitality, restaurant and tourism industry				
Poor	0%	4%	8%	ns
Fair	32%	15%	26%	
Good	35%	46%	28%	
Excellent	32%	35%	38%	
Manufacturing industry				
Poor	8%	1%	0%	***
Fair	27%	17%	15%	
Good	49%	51%	37%	
Excellent	16%	30%	48%	
Retail industry				
Poor	1%	3%	0%	***
Fair	40%	17%	22%	
Good	40%	53%	45%	
Excellent	19%	26%	34%	
Small business employees (50-500 employees)				
Poor	2%	2%	0%	***
Fair	28%	15%	16%	
Good	51%	54%	37%	
Excellent	18%	28%	48%	
Large business employees (500 or more employees)				
Poor	8%	2%	0%	***
Fair	31%	15%	10%	
Good	46%	57%	54%	
Excellent	15%	26%	37%	
Low-wage employees				
Poor	5%	3%	4%	***
Fair	42%	21%	17%	
Good	34%	49%	36%	
Excellent	20%	28%	43%	

Table 11: Overall Workplace Flexibility and Physical Health (continued)

Physical Health	Overall Workplace Flexibility			
	Low	Mid	High	Sig.
Professionals				
Poor	3%	2%	0%	***
Fair	25%	12%	19%	
Good	48%	56%	46%	
Excellent	24%	30%	35%	
Primary and secondary school teachers				
Poor	8%	1%	0%	ns
Fair	13%	14%	0%	
Good	55%	58%	71%	
Excellent	24%	27%	29%	

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

Statistical significance: * = $p < .05$; ** = $p < .01$; *** = $p < .001$.

The lack of significant effects on physical health assessments among health services and HRT employees, as well as teachers, may be due to unique aspects of these populations. On the one hand, health services employees presumably have advanced training in health care and/or relatively easier access to health care services than others, perhaps making the importance of flexibility to their physical health less robust. On the other hand, HRT employees tend to be young (46% are under 28 years old), likely reducing the prevalence of chronic health conditions that are associated with aging and early health care habits. (For example, how these employees work while young may have significant effects on their health when older.) Finally, as shown in Table 12, very few teachers (6%) have access to high levels of flexibility, which makes it difficult to detect relationships between flexibility and outcomes without accounting for other intervening variables (e.g., previous work conditions, health habits and availability of alternative job options).

Table 12: Overall Workplace Flexibility

Overall	Low	Medium	High
	25%	53%	23%
Health services industry	21%	53%	26%
Hospitality, restaurant and tourism industry	19%	55%	26%
Manufacturing industry	34%	51%	15%
Retail industry	30%	54%	17%
Employees by organizational size			
50-99 employees	23%	54%	23%
100-249 employees	28%	54%	18%
250-499 employees	32%	46%	22%
500 or more employees	24%	52%	24%
Low-wage employees	26%	55%	19%
Professional employees	18%	55%	27%
Primary and secondary school teachers	30%	65%	6%

SOURCE: 2008 National Study of the Changing Workforce, Families and Work Institute

CONCLUSION

The NDWF forums were intended to get various employment stakeholders talking about how to create workplaces that both enhance employees' contributions to their organizations and help them better manage the demands of their work and personal/family lives.

This report reveals that flexibility can have a significant effect on the work-life experiences of employees across a variety of organizational and employment groups. Sometimes the effect of flexibility is fairly consistent across all employees. This is clear in our finding that employees generally avoid abusing short-term flexibility and personal and family sick leave across industries and employment groups. In other instances, there are significant differences in the effects of flexibility. A prime example is how it is more effective in reducing home interference with work among low-wage employees than among higher-wage employees.

We also see that the effects of workplace flexibility are not always readily apparent. For example, while small employers are less likely to indicate offering flexibility programs, their employees seem to still be able to get some of the flexibility they need. Employers in small organizations, while less likely to create a formal policy, may still invest in flexible work arrangements when their employees need it. Additionally, we find that although turnover is high in retail and HRT organizations, many of the employees in these industries are not planning on leaving in the immediate future and that those most inclined to stay place great value in their workplace flexibility.

These and other findings that highlight the positive effects of workplace flexibility are important because the need for such flexibility is substantial. The data from this and the other NDWF reports show that a two-thirds to three-quarters majority of wage and salary employees feel they do not have enough time for their children, spouses/partners and themselves. In addition, we see signs that younger employees may be starting to lower their work ambitions due to insufficient flexibility to manage work and personal/family life. Workplace flexibility is a powerful way to provide employees with the resources they need to be engaged and successful at work and at home.

Sadly, the culture of flexibility appears to be stagnating, as we have seen little growth in employees' confidence that using flexibility options will not be damaging to their careers. For flexibility programs to be effective, employees must have confidence that they are creating a long-term alignment between work and personal/family life, not trading future career opportunities for a few hours of sick leave. Flexibility programs will not succeed if they are not supported both by management and the day-to-day work processes of the organization.

It is also important to note that workplace flexibility is not a cure-all. Though flexibility has substantial positive effects on a broad population of employees, it cannot completely replace other work characteristics such as economic security, learning opportunities, a culture of respect and job autonomy. Employers who seek to make the most of workplace flexibility must consider its advantages in tandem with having an effective workplace overall.

Though a holistic and integrated approach to workplace flexibility may require more effort, the rewards of a functional workplace flexibility program can be of great value to employers across industries, large and small. Employers who invest in providing high levels of workplace flexibility that are well integrated into the structure and culture of their organization should receive a wealth of benefits including increased employee job satisfaction and engagement, lower insurance costs through healthier employees and lower turnover. As the economy, and the employers and employees that comprise it, move forward through a time of ever greater work and home-life demands, workplace flexibility becomes more than a favor or benefit for employees. It becomes a strategic necessity to keep employees and employers working and living well.

APPENDIX

Industrial Sector	1990 Standard Industry Classification (SIC) Groups
Health services industry	<ul style="list-style-type: none"> - Offices and clinics of doctors of medicine - Offices and clinics of dentists - Offices and clinics of doctors of osteopathy - Offices and clinics of other health practitioners - Nursing and personal care facilities - Hospitals - Home health services - Miscellaneous health and allied services, not elsewhere classified
Hospitality, restaurant and tourism industry	<ul style="list-style-type: none"> - Rail transportation - Bus service and urban transit: scenic and sightseeing - Taxi and limousine service - Water transportation - Air transportation - Restaurants and other food services including drinking places serving alcoholic beverages - Gift, novelty, and souvenir shops - Traveler accommodation - Recreational vehicle parks and camps, and rooming and boarding houses - Artists, performing arts, spectator sports, and related industries and other amusement, gambling, and recreation services - Museums, art galleries, historical sites, and similar institutions
Manufacturing industry	<ul style="list-style-type: none"> - Food and kindred products - Tobacco products - Textile mill products - Apparel and other finished products made from fabrics and similar materials - Lumber and wood products, except furniture - Furniture and fixtures - Paper and allied products - Printing, publishing, and allied Industries - Chemicals and allied products - Petroleum refining and related industries - Rubber and miscellaneous plastics products - Leather and leather products - Stone, clay, glass, and concrete products - Primary metal industries - Fabricated metal products, except machinery and transportation equipment - Industrial and commercial machinery and computer equipment - Electronic and other electrical equipment and components, except computer equipment - Transportation equipment - Measuring, analyzing, and controlling instruments; photographic, medical and optical goods; watches and clocks - Miscellaneous manufacturing industries
Retail industry	<ul style="list-style-type: none"> - Lumber and building material retailing - Hardware stores - Retail nurseries, florists and garden stores - Department and variety stores - Miscellaneous general merchandise stores - Grocery, dairy, and retail bakery food stores - Auto and home supply stores - Apparel and accessory stores (including shoes and jewelry) - Furniture and home furnishings - Household appliance stores - Radio, TV and computer stores - Music stores - Drug stores - Liquor stores - Sporting goods, bicycles and hobby stores - Book and stationary stores - Gift novelty and souvenir shops - Sewing needlework and piece goods stores - Miscellaneous retail stores - Not specified retail trade stores

ENDNOTES

¹ U.S. Bureau of the Census, Current Population Survey published by the Bureau of Labor Statistics

² Aumann, K., Galinsky, E., and Matos, K. (2011). *The New Male Mystique*. New York: Families and Work Institute.

³ Executive Office of the President: Council of Economic Advisors (2010). *Work-Life Balance and the Economics of Workplace Flexibility*. Washington, DC: White House.

⁴ The 2008 National Study of Employers (NSE) survey questionnaire was administered by means of a telephone interview to a national sample of 1,100 human resource directors (or persons with primary responsibility for human resources) of companies with 50 or more employees in the United States. The interview averaged about 30 minutes in length. Interviewing took place between April 19, 2007 and August 13, 2007. All interviews were conducted by Harris Interactive using computer-assisted telephone interviewing (CATI) technology.

The study also included a telephone re-contact of 300 respondents from the initial 1,100 human resource directors interviewed in order to reconcile differences between the survey instruments of the 2005 and 2008 National Study of Employers. Interviews for the re-contact averaged about 10 minutes in length and were conducted between February 6, 2008 and February 14, 2008.

The sample represents a random selection of private for-profit and nonprofit U.S. companies with 50 or more employees drawn from lists maintained by Dun & Bradstreet—excluding government agencies, public schools, public universities and public libraries. Larger companies were over-sampled to achieve sufficient numbers for reliable population estimates. Before data analysis, the sample of companies was weighted to the actual proportion of companies of different sizes in the universe of private U.S. companies. On the basis of empirical computation, the design effect (DEFF) for this sample design was determined to be 1.35 for the company weight. Adjusting for this design effect, the maximum sampling error is estimated to be no more than 2% when generalizing from the total NSE sample to all private companies with 50 or more employees in the United States.

In order to attain the highest possible response rate at reasonable cost, the following incentives were offered to respondents: a summary of the survey results and a \$50 honorarium for themselves or to donate to a specified charity. In addition, very substantial interviewing resources were invested in callbacks and refusal conversion efforts.

Of the 2,571 companies called, interviews were completed for 1,100. The response rate was calculated according to the following formula:

$$\frac{\text{Completes}}{\text{Completes} + \text{Refusals} + \text{Terminations}} = \frac{1,100}{2,571} = 43\%$$

⁵ The 2008 National Study of the Changing Workforce (NSCW) survey was conducted by Harris Interactive, Inc. (formerly Louis Harris and Associates) using a questionnaire developed by Families and Work Institute. Coding of open-ended responses was done by interviewers, with the exception of occupation and industry, which were coded by the U.S. Bureau of the Census using 1990 three digit occupation (SOC) and industry (SIC) classifications. Although interviewing began in 2007, 88% of interviews were completed in 2008. Thus, we refer to this survey as the 2008 NSCW. A total of 3,502 interviews were completed with a nationwide cross-section of employed adults between November 12, 2007 and April 20, 2008. Interviews, which averaged 50 minutes in length (47 minutes for substantive questions and 3 minutes for eligibility screening), were conducted by telephone using a computer assisted telephone interviewing (CATI) system. Calls were made to a regionally stratified unclustered random probability sample generated by random-digit-dial methods.

Up to 60 calls were made to each telephone number that appeared to represent a potentially eligible household—busy signal, answer by non-eligible with some indication of a potential eligible in household, or answer by a potential eligible who wanted a callback. When eligibles were identified and requested callbacks, additional calls were made. If 25 consecutive calls were made to numbers where there were no answers and no busy signals (and no other dialing outcome), these numbers were considered non-residential, non-working numbers or non-voice communication numbers. Three to five attempts were made to convert each initial refusal. Despite the fact that the level of effort of 2008 interviewers went substantially beyond the efforts made in 2002, 1997 and 1992, the overall response rate

was only slightly higher, indicating that it has become significantly more difficult to complete telephone interviews in recent years.

Sample eligibility was limited to people who 1) worked at a paid job or operated an income-producing business, 2) were 18 years or older, 3) were in the civilian labor force, 4) resided in the contiguous 48 states and 5) lived in a non-institutional residence—i.e., household—with a telephone. In households with more than one eligible person, one was randomly selected to be interviewed. Interviewers initially offered cash honoraria of \$25 as incentives. In order to convert refusals, a higher amount (\$50) was offered.

Of the total 42,000 telephone numbers called, 24,115 were found to be non-residential or non-working numbers and 6,970 were determined to be ineligible residences (1,389 because no one spoke English or Spanish well enough to be interviewed). Of the remaining telephone numbers, 3,547 were determined to represent eligible households, and interviews were completed for 3,502 of these—a completion rate of 99%. Eligibility or ineligibility, however, could not be determined in the remaining 7,368 cases. Among those contacts for which eligibility could be determined, the eligibility ratio was 0.3886 [3547/(3547+5,581)]. Thus, we estimate that potentially 38.86% of the 7,368 cases for which eligibility could not be determined—2,863 cases in all—might have been eligible households. Dividing the number of completed interviews (3,502) by the number of known eligibles (3,547) plus the number of estimated eligibles (2,863) yields an overall response rate of 54.6% for potentially eligible households. [This method of response rate calculation follows the conservative CASRO and AAPOR recommendations.]

All sample weighting was done in relation to the U.S. population using data from the March 2007 Current Population Survey. The sample was first weighted by the number of eligibles in the respondents' households in relation to the percentage of households in the U.S. population with the same number of eligibles (i.e., number of employed persons 18 and older per household with any employed person 18 or older), eligible men and women in the U.S. population and eligibles with different educational levels in the U.S. population. [Other weights were also calculated and can be found in the public-use data files.] The average design effect for the weighted sample is estimated to be 1.359. Applying this Design Effect, the average sampling error for wage and salaried sample statistics ($n=2,769$) is approximately +/- 1.1 percent versus +/- 1 percent for the unweighted sample.

Of the total sample of 3,502 interviewed, 2,769 are wage and salaried workers who work for someone else, while 733 respondents work for themselves—255 business owners who employ others and 478 independent self-employed workers who do not employ anyone else. In this report, we restrict analyses to those who are wage and salaried employees.

⁶ The various groups referenced in this report are not mutually exclusive. Certain populations of respondents appear in multiple groups. For example, gift shops are part of the hospitality, restaurant and tourism industry as well as the retail industry, teachers are also professionals, and low-wage employees are present in every industrial sector and business size. As a result no statistical tests are presented for differences between the groups as the overlapping populations would interfere with the accuracy of any statistical tests.

⁷ The smallest organizations included in the NSE have 50 or more employees, thus our analyses of organizational size do not represent the smallest employers in the U.S.

⁸ The definition of low-wage employees used by FWI in the reports for the NDWF was developed by the Organization for Economic Development and Cooperation and the Mobility Agenda of the Center for Policy and Economic Research.

Organization for Economic Cooperation and Development (1997) *Employment Outlook 1997*. Paris, France: OECD. Boushey, H., Fremstad, S, Gragg, R., and Waller, M. (March 2007) *Understanding Low-Wage Work in the United States*. Washington D.C.: Center for Economic and Policy Research.

⁹ The SOC groups included in the professional employment sector are:

- Engineers, architects, and surveyors
- Mathematical and computer scientists
- Natural scientists
- Health diagnosing occupations
- Health assessment and treating occupations

- Teachers (primary, secondary and post-secondary)
- Librarians, archivists, and curators
- Social scientists and urban planners
- Social, recreational, and religious workers
- Lawyers and judges
- Writers, artists, entertainers, and athletes

¹⁰ Ryan, B. *Moving Work Forward Press Conference* (Washington, DC: February 1, 2011). A video recording of Mr. Ryan's speech is available at <http://www.youtube.com/watch?v=27H4Oz5gPaw&feature=relmfu>.

¹¹ These figures represent yearly averages based on a review of a single three month period. They do not account for seasonal variations in illness rates.

¹² Forty-two percent of low-wage employees have a child under 18 at home and 17% have elder care responsibilities. Forty-seven percent of higher-wage employees have a child under 18 at home and 16% have elder care responsibilities.

¹³ Fifty-four percent of low-wage employees and 73% of higher-wage employees are living with a spouse or partner.

¹⁴ FWI's report *The State of Health in the American Workforce: Does Having an Effective Workplace Matter?* rank orders the aspects of an effective workplace that effectively predict intention to remain with one's current employer based on data from the NSCW. Our findings show that economic security is the most powerful predictor of intention to remain with one's current employer followed by work-life fit (which is often supported by workplace flexibility), job challenge and learning, supervisor task support and autonomy. This strongly suggests that employees tend to consider how a job move will affect their economic security before other considerations, though all the other predictors do influence the final decision.

¹⁵ As noted in the paper on HRT workers, the schedules of many employees in this industry are very fluid, able to be readjusted regularly with shifts between full-time and part-time work. This may help explain why they feel better able to spend enough time with their children.

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