

“Using Workplace Flexibility as Part of a Downsizing Strategy”

Transcript

Flex Options Teleconference

February 12, 2009

Background: On February 12, 2009 the U.S. Department of Labor Women’s Bureau hosted the national teleconference, “Using Flexibility as Part of a Downsizing Strategy.” Joining us as panelists for the event were Cali Williams Yost, CEO and Founder of Work+Life Fit, Inc. (www.worklifefit.com), and Betty Purkey, recently retired manager of work-life strategies at Texas Instruments. Panelists and participants discussed flexibility options as an alternative to layoffs and job cuts. A lively Q&A period followed the opening presentations.

FTS-DOL WB

Moderator: Frances Jefferson

February 12, 2009

1:00 pm CT

Coordinator: Welcome and thank you for standing by. At this time, all participants are in a listen only mode until the question and answer period. If you would like to ask a question at that time please press star, then 1.

Today's conference is being recorded. If you have any objections you may disconnect at this time. Now, I would like to turn the meeting over to Ms. Frances Jefferson. Thank you.

Frances Jefferson: Thank you. Good morning everyone and welcome to our - I'm sorry, good afternoon, and welcome to our Flex Options teleconference call for February 2009— "Using Workplace Flexibility as Part of the Downsizing Strategy."

I'm Frances Jefferson, Regional Administrator for the U.S. Department of Labor, Women's Bureau, in Region eight (Denver) and also a Co-team leader of the Flex Options Project with Michael Williams, who is an Economist with the Women's Bureau.

Before we introduce our speakers today, I'd like to share some quick information about the Flex Options Project. Five years ago, the Women's Bureau launched Flex Options to focus on helping women business owners create more flexible work places by providing them with resources that included peer mentoring, networking, teleconferences, discussion groups and flexibility workshops.

Over the years, the project expanded to offer those resources to all types of organizations. To date, we are pleased to note that more than 700 employers with nearly one million employees have formerly participated in Flex Options by establishing flexible work guidelines, programs and practices.

Additionally, we've joined business leaders across the US to host more than 400 flexibility workshops and events and these bimonthly teleconferences have drawn 4,500 participants.

If you are new to Flex Options or would like more information about the project, please visit our Web site at www.flexoptions.org. We have posted many free resources to help you, including our very popular 40 page Flex Options Guide that is loaded with tools and templates to help you create more flexibility in your workplace.

It is now my pleasure to introduce you to our national contractors who have partnered with us on this project since its inception, Karen Kerrigan, President and CEO of Women Entrepreneurs Inc. in Washington D.C., and Linda Roundtree, President of Roundtree Consultants in Renton, Washington.

Now, I'll turn this over to Linda who will introduce our speakers. Linda?

Linda Roundtree: Thanks, Fran and hello and welcome everyone. So in December when the New York Times published the article "More Companies are Cutting Labor Costs without Layoffs," it seemed to me that it kicked off this flurry of conversations about the use of workplace flexibility in lieu of workforce reductions.

And since then, our first speaker Cali Williams Yost, has researched and blogged on this topic numerous times. What are companies doing, what's working, and what are the challenges for this approach?

And as Cali will share today, organizations have many different perspectives on avoiding workforce reductions. We'd hope that when we open up the call to you after our speakers present that in addition to asking questions of the speakers, you'll also think about sharing your thoughts on this topic.

That would be great. Cali is CEO and founder of Work+Life Fit and author of the critically acclaimed *Work+Life, Finding the Fit that's Right for you*.

She has been featured in the New York Times, the Wall Street Journal, Business Week, Newsweek, USA Today and many others.

After earning her MBA from Columbia business school she worked as a consultant with Families and Work Institute and Bright Horizons Family Solutions prior to founding her company. Prior to entering the work life field, she was a commercial banker in New York City.

We are delighted to have Cali join us today. Cali, I'll turn it over to you now.

Cali Williams Yost: Great. Thank you Linda, Karen, Michael and Frances and the entire Flex-Options team at the U.S. Department of Labor, Women's Bureau for asking me to kick off today's call.

And I want to thank all of you for being here to discuss a very important and timely topic--using workplace flexibility as part of a downsizing strategy.

As Linda mentioned, I am an expert blogger for Fast Company and have been writing about flexibility and the recession since early 2008.

You should know that the insights I'm going to share with you today are influenced by the experiences and research from my day job for the past 14 years as a flexibility strategy consultant to organizations and individuals.

From that vantage point, let me start by setting the stage. Nearly 600,000 jobs were cut in January, the most jobs lost since 1974. In one day January 16, 50,000 layoffs were announced.

We've lost 3.6 million jobs since the start of the recession in December 2007. About half of the decline has occurred in the past three months.

After 2001's recession, employers continued to cut jobs into 2003. In other words, if history is an accurate benchmark, we will continue to see pressure to control labor costs for some time.

Unfortunately, organizations for a variety of reasons that we will discuss in a couple of minutes seem to be moving directly to cut jobs without first considering whether the strategic use of flexibility in how, when and where work is done could help them reach all or part for their savings.

This, in turn, would minimize the need for layoffs. What do I mean by flexibility and how, when and where work is done? I see in here organizations of all sizes--large and small—are trying or considering the options that range from less to more aggressive, depending upon the amount they need to save.

Here are a couple of examples of what I am hearing and seeing. Some organizations are adding six unpaid vacation days to the calendar this year.

One or two I've heard of are closing down every other Friday. One is closing administrative offices on Monday which is the same day the organization is closed to the public.

Another is shutting down operations all of August which is the slowest month of the year. Others are shifting and reducing operating hours to later in the day when most customers come in.

Some are asking the entire workforce to take a 5% to 20% pay and schedule reduction. Others are asking for volunteers to reduce their schedules, share jobs or transition to contract project based status.

And finally others are offering sabbaticals or furloughs for as little as two weeks or as long as three months.

These are just a few of the specific examples. It's important to note before we go further that it is never too late to consider flexible downsizing alternatives, even if you have already laid people off or if you think you may have to make job cuts in the future.

It is not an all or nothing choice--flexible downsizing or layoffs. As this situation evolves, there should be room at the table for all options.

The goal of this call is to help you move beyond traditional cut-oriented business and employment models used in past economic downturns.

Start thinking creatively and flexibly about ways to control your labor costs. This concept of flexible downsizing is not new. It was most actively used back in the recession of the early 80s before it fell out of favor with the erosion of lifetime employment.

And companies became more comfortable with job cuts. If you want to learn more about the historical precedent for flexible downsizing, please go to my Fast Company blog post where I interviewed Dr. Peter Cappeli from the Wharton Business School.

So what we are discussing is not new in the sense that it has never been tried before. But it is innovative in that the institutional memory about its use doesn't exist in most cases.

So the job cut or layoff mentality is prevailing at the moment. Let's talk about the business case for making flexibility part of your approach to labor cost savings.

From my interview with Dr. Cappeli, he outlined a cost benefit scenario comparing a 5% layoff to that of a 5% cut in salaries and schedule.

Yes, in both cases there was an immediate savings in salary expenses and with the 5% layoff, you did realize a larger savings related to benefits.

However, with the 5% cut in salary and pay, you achieved many other benefits. You have no severance packages. You have a lower potential legal liability.

You avoid the painful, difficult process of determining who will go and then letting those people go assuming they are valued employees. You have a sense of shared sacrifice and less damage to moral.

You haven't overloaded those left behind with work. You retain the investment and talent you made over the past few years when finding good people and holding on to them was very hard.

And you've set yourself up to be ready to respond when the economy recovers. Now what do I mean by that last benefit? Well, here is a perfect example, the mortgage industry.

Early last year when the sub-prime mortgage crisis hit hard, the mortgage industry laid off huge numbers of employees.

Then what happened? Interest rates seemingly overnight went down to 4% and banks were flooded with applications to refinance. Unfortunately, they didn't have enough people to process the applications.

Many are outsourcing to third parties and hiring temps--which actually costs more money.

Imagine how different that scenario would look if instead of laying off 60% of their workforce, for example, they laid off instead maybe 30% and achieved additional labor cost savings by adding unpaid vacation days, offering two week unpaid furloughs and/or cutting salaries across the board 20%.

So if it makes so much business sense, why aren't more companies actively pursuing flexible downsizing? Here are a couple of the main roadblocks I've identified.

First, I believe a great deal of this rush to job cuts relates to the fact that the investments markets and creditors reward downsizing.

I've blogged about this issue more in depth a couple weeks ago and you can go and you can go to that post if you wanted more and more. But this is a more complicated conversation than we have time for today.

But I believe until the market values job cuts and flexible downsizing equally, the bias of organizational leadership will be to move right to layoffs in order to have access to capital.

The next roadblock is the inflexibility of systems to accommodate a variety of unique employment scenarios.

Even though in some cases I have heard--in fact I've heard more of these scenarios lately—where employees are actually volunteering to cut their hours and salary and in a number of instances it's the systems that won't allow that to be accommodated.

Finally and probably the most honest reason I'm hearing is for the lack of flexible downsizing is we're just not that comfortable or familiar with flexibility in our organization.

If an organization doesn't have a work life flexibility strategy in place, if the flexibility that does exist is seen as a perk or benefit for good times and not as a core operating lever that allows the business to respond rapidly to change, then no, flexibility would not be top of mind as a way to manage labor costs in a recession.

I've been blogging about this subject since February 2008. And the economy didn't begin to really deteriorate rapidly until last summer.

The truth is that for most organizations, flexibility is not positioned as a strategic business lever leaders can use to respond creatively to the clouds gathering on the horizon. In fact, if flexibility even exists at all, chances are it was viewed as a perk to discontinue.

Flexibility needs to be part of the decision making process up front with regard to labor cost savings or it can seem too overwhelming and cumbersome, which brings me to the final point I want to make today.

The lesson learned here goes beyond the immediate economic crisis. Rapid change, whether it's rising energy prices from a year ago or a deep recession today, is a constant which organizations and the individuals who work for them are going to have to be ready to respond.

And the response cannot be "hire on the up cycle, fire on the down cycle," because as we've seen, the cycles come too fast.

The same flexibility used to manage labor costs can help you achieve other cost savings and business growth goals. It is not just a tactical band-aid.

The real flexibility leaders use it as a broad cost cutting and business growth strategy not only to retain valued employees in a difficult economy but also to meet customer demands, improve productivity, manage work loads--both up and down cycles--and work smarter in a resource challenged global business environment.

So where do you begin? A survey of a random sample of the top 100 CFO's co-sponsored with BDO Seidman conducted last year offers some insight into what needs to be done to position flexibility not only as a way to manage labor costs, but as a core business strategy.

We found that nearly a third of the CFOs offered project based contract work, reduced hours with full benefits, and unpaid sabbaticals with full benefits as part of their workforce reductions strategies.

So they do recognize the benefits of flexible downsizing. However, in terms of having the culture and organizational infrastructure in place related to workplace flexibility to execute rapidly as a response to change, the news was not as positive.

Only 13 out of the 100 CFOs--13% of the CFOs--had flexibility policies and procedures in place and had a senior leadership team that saw workplace flexibility as a business strategy for managing talent, resources and time.

The rest of the management team saw it as a perk. So it gives us a clue to begin to try to create that infrastructure and align the culture so that flexibility in where, when and how work is done can be recognized as an important part of the way you are going to manage the ever evolving management of not only labor costs, but manage all aspects of your business.

So you have to bring that first and foremost into the conversation within your organization. Make sure you're inserting flexibility into that problem solving dialogue and make it part of the problem solving process.

But then, also be aware of some of the common roadblocks. Make sure the organization is quantifying the business benefits of flexibility being part of your downsizing strategy to the markets and creditors.

Make sure your systems are as flexible as you need them to be to support innovation. Make flexibility part of the decision making process up front when considering all approaches to labor cost savings.

And finally, see workplace flexibility for what it is--a core business strategy that allows organizations and the people who work for them to respond rapidly to market challenges and opportunities.

Put the organizational infrastructure and culture supporting flexibility in place. Use this current economic crisis as a catalyst to move your flexibility strategy

forward--not only to manage labor costs today, but to realize all of the other costs and resource management and growth benefits now and in the future.

Before I hand it back over to Linda, please know that I am going to continue to blog about this subject on my Fast Company blog and I'm going to start publishing a list of employers that are taking the lead in creatively trying to incorporate any type of flexibility into their downsizing strategy.

Please let me know what you or any other organization you know is doing. Not only do I think you need to get credit for that--for being innovative and trying to be flexible--but you can inspire others.

So with that I'm going to hand it back over to Linda.

Linda Roundtree: Thank you, Cali. That was excellent. I think you gave us a lot to think about. I'm really looking forward to hearing some of the reactions from those that are listening in today. So thank you.

It's now my pleasure to introduce to you Betty Purkey. After a 42 year career at Texas Instruments, Betty took a voluntary retirement package just this past Friday.

We are delighted to have her join us today to share insights from both a personal and a professional perspective.

For the past 15 years, Betty was the manager of Work Life Strategies at Texas Instruments (TI). With an undergraduate degree in mathematics and a master's in Computer Science, Betty previously held individual contributor and leadership positions in software development with the company.

Betty's work in the areas of work life flexibility, workplace flexibility, work life strategy, dependant care and diversity have all contributed to TI being recognized repeatedly as a 100 Best Company by *Fortune* and *Working Mother* magazines, among many others.

Betty has appeared in local and national media including USA Today, the Dallas Morning News, Business Week, the Associated Press, National Public Radio, CNBC and the local TV affiliates of ABC, CBS and NBC.

So Betty, again we are absolutely delighted to have you step out of retirement for a moment and join us. Now, I'll turn it over to you.

Betty Purkey: Okay, thank you so much Linda. I'm delighted to have this opportunity so soon after my last day at TI which was last Friday.

So I am indeed newly retired. As Linda said, I spent my whole career--42 years--in a large company. And I realize that may be a different perspective from those of you who are in small and medium companies.

But, you know, there have been lots of business cycles. They always come and just when you think it's wonderful and everything's going great, you know something's going to happen--it just seems to be the nature of the animal.

And how you respond to it from time to time determines how successful your company will be during these upheavals. You know, sometimes you learn something from the last time and maybe try something different. One of the things that will help is this whole idea of flexible downsizing.

If you don't use flexible downsizing in this business cycle, then, maybe you'll use it in the next one. Who knows? But I think we're making a lot of progress here. At TI, over the years, there have been some fairly common things we've done that are not uncommon for large businesses.

One of the things that TI has done is to offer voluntary retirement--which is what I took advantage of. Because I'm going to be 65 next week, that seemed like a simple thing to do.

During various times during our business cycle, we asked ourselves where do we want to go, where do we want to be coming out of this business cycle? How do we position ourselves best to keep top talent?

From the manufacturing side of it--because TI is a company that does have manufacturing operations--what do we do to try to retain the talent there and not actually have to shut down completely and lay people off; but instead do periodic shutdowns of a two or three weeks.

But, you know, just to let the capacity and the demand line up. But you're still positioned when things turn around to be able to pick back up and meet the needs of your customers, which is obviously the whole goal of any of our businesses.

Those are some of the things that I have experienced within the context of a large company. But there are several things that really determine what you can do and what makes sense for you.

One is the size of the company. One is the nature of your business. Another is the demographics of your workforce. Things like that are going to make a difference in what you might consider and what might work for you.

I think one of the risks you face when you go to cutting people's hours or things like that or maybe trying to even go to people working as little as half time and job sharing and that kind of thing is you need to realize that not everybody can afford to do that when things start improving.

So you need to be positioned to move people back into working more hours as the business turns around as you're able to so. That way you've retained your workforce and frankly have given people the opportunity with free time to go out and maybe look for a second job to make ends meet until they can be back into a full-time position.

From my perspective, things like that need to be taken into account when you're trying to figure out what to do. And it's just going to be different for almost company/everybody in terms of figuring out what will work.

I do agree with Cali that there are barriers in the way we think about flexibility--barriers from the financial sector, from the markets and things like that. Hopefully, as we move forward through this, we will have some learning around the fact that there is a value in taking a flexible approach, rather than a layoff approach to this downsizing issue.

You know you hear a lot of people saying: "Oh, you really need to be talking to your managers right now about flexibility and you really need to be communicating to them about how important flexibility is." One of the things that's going on quite often in a time like this where there's a lot of turmoil is your managers are dealing with a lot of change.

You may be rethinking about how you're doing projects, you may be moving people around within the company, and/or people might be changing responsibilities.

You may be saying "Oh well, we aren't going to work on this product line any more. We're going to do something else over here with these people." And so, there's a lot of turmoil and sometimes it's very hard for managers to get the message right in the middle of a lot of upheaval about flexibility.

But the truth is that once the new normal settles in, whatever that may be, flexibility is going to be hugely important because it is a tool for engagement.

Keeping everybody able to deal with what's going on and helping the people who are in the organization carry it forward by being as effective and productive as they can be, will help move your company forward now and when we come out of this recession--which we hope will be sooner, rather than later.

So basically, you know those kinds of things are important and as Cali mentioned, flexibility helps with a lot of the goals besides employee engagement.

You know, a lot of the early big push around flexibility was particularly around telework--reducing real estate costs.

That's still an issue--commuting costs, lots of things, and environmental issues. There are lots of places where flexibility comes into play and employee engagement is an important one of those.

The other thing I'd like to say just from my own perspective and personal experience--and this is strictly my opinion because I've always worked for a large company—is that it always seemed to me that small to medium sized companies seem to be open to being more innovative around flexibility in general. They seem to be more willing to try things, maybe even more able than a large company because you don't have the big ship that you're trying to move and steer.

In the smaller companies, you have a little bit more control in the sense of what's going on in the work place and what's working and what's not. Small to medium-sized companies are actually more often willing to experiment and try things and to see what's working and what's not.

So that's my perspective. Like I said, my personal perspective is from the large company. My entire career was spent with TI and I just took one of those early buy out offers. Mine, however, was not that early, I turn 65 next week.

But at any rate I think flexibility is something that can have a huge impact. And I think if it's used wisely, flexibility can help companies of any size get through this as effectively as possible and hopefully as in tact as possible in order to be able to respond to the customer needs.

So with that I will turn it over to Karen who will facilitate questions and answers.

Karen Kerrigan: Well, thank you so much Betty and thank you too Cali. What I'd like to do is bring the operator back on and she can give you the information that you need to ask questions.

So with that, do we have the operator with us?

Coordinator: Yes, thank you.

Coordinator: If you would like to ask a question, please press star, then 1. To withdraw your question press star then 2. Once again if you would like to ask a question, please press star, then 1 now.

One moment for the first question please.

Karen Kerrigan: Okay. And while we wait for our first question, maybe I'll just ask a general question to both Cali and Betty.

One of the concerns that I hear from employers in regards to offering flex schedules is that if they offer it to one, they have to offer it to all.

We, of course, have addressed that in other teleconferences and we have a lot of information about that on the Flex Options Web site. But I believe that the same concept may be a concern for employers, as well, but in a different way.

Some employers say that it is easier to just cut rather than do the flex downsizing approach because they may have some legal concerns or they may be seen as showing favoritism to employees who can work flexibly, while others have jobs that don't lend themselves to a flexible schedule. Can you perhaps address that issue? I think it all comes down to communication, but I know that this is a concern with employers.

Betty Purkey: In my perspective, communication is a piece of it. However, you also need to be very clear about what criteria you're going to use to figure out how you're going to move forward--no matter what you do.

And it needs to be business based. And so just like flexibility in general, it's not going to work for every job and it's not going to work for every person.

Be up front and clear in your communications with staff. Take the time to figure it out instead of just having a knee jerk reaction and going off and doing something. I think strategically, it's really important.

Cali Williams Yost: To your point about legal considerations, I actually just posted on Fast Company last night the opinions of an employment attorney related to about four different potential scenarios.

If people want to go to that and just hear it - see her opinions, obviously it's not legal advice, but it gives you a place to start to think about what you would want to be aware of from a legal perspective.

And I think Karen, you bring up a really good point which is you have to have a process in place that is transparent and there is a lot of communication.

And Betty's right, it's not going to work for everybody. Every type of flexibility doesn't work for everybody. And if there's a business rationale behind what you're doing--certain groups, certain situations, certain type business lines—then, it's going to work differently for that particular entity.

And that's why your flexibility strategy, in my opinion, has to be a process-based approach to flexibility and not a policy-based approach to flexibility.

When you have a one size fits all policy, it is not going to be adaptable and flexible enough to accommodate those unique situations for a person or for the unique situations of a particular area of your business.

And you know when the process is consistent and applies to everybody by inserting and including all the different variables, the outcomes are going to be different.

Karen Kerrigan: Well great, those are two great answers. Are there any questions that have come in?

Coordinator: Yes, our first question comes from Linda Marks, ma'am your line is open.

Linda Marks: Hi. This is great. I cannot tell you how thrilled I am with this discussion. Betty, congratulations, I knew Betty years and years and years ago and I know Linda and everybody else.

I have been in the field of flexible work arrangements now since 1979 and I've been pushing for flexibility as an alternatives to layoffs most of that time and wrote an article about it in 1990 when I was advising law firms to use this as a way of going lean without being mean.

So, I'm just delighted and I unfortunately missed the first ten minutes of the call because I was leading or facilitating a support group for attorneys who have left law for a year or more and want to return to practice--which is quite difficult.

But I didn't know if you had mentioned the California state work-sharing unemployment insurance program or any of the others which allow organizations to utilize flexibility.

This would be mandatory though, not voluntary as an alternative to layoffs where the individuals who were affected would collect partial unemployment insurance benefits.

Karen Kerrigan: No Linda, we didn't. And thanks Linda for all your work since the '70s. We stand on your shoulders. We did not talk about that, but if you have any information that you would share with those listening in on where they could get more information, that would be great.

And Cali or Betty, if you have anything else to share in that regard, that would be great too.

Linda Marks: This is Linda. I can say that you should contact your state whatever office. Like in California, it's the Employment Development Department. They have a work-sharing unemployment insurance program and they can tell employers how to do this.

And it's a really wonderful program because it helps out the individuals and it helps out the organization. If your company is facing a 10% layoff in any one department, you can proceed.

Karen Kerrigan: Okay, great. Thanks so much for that information, Linda. We certainly do appreciate it.

Linda Marks: Okay.

Karen Kerrigan: Okay, is there another question?

Coordinator: Yes, our next question comes from Wendy Love, ma'am your line is open.

Wendy Love: Yes, this is Wendy Love from the Vermont Commission on Women and I really want to tell Cali how much I appreciated her comment about the investment markets rewarding cuts as opposed to flexibility.

And over the number of years I've been following this, I've always been interested in the fact that the company trend in this recession is that everybody cuts 10,000 jobs regardless of how big of a company you are.

And I see this happening again. The magic number to cut comes up. I guess it's a number that will appease Wall Street to show that you're making an effort.

So I guess my question is to Cali. Is there any hope of ever changing or trying to get into the media to change this environment that only rewards job cuts?

So that's my first question. The next question is how do we change the perception that flexibility is just a women's issue? You know, real men don't want flexibility because that's always a code word of mommy needs to stay home with the kids.

And I hope you hear the sarcasm dripping from my voice. But it's always seen as something that is great for women, but not for men. So those are my two questions.

Cali Williams Yost: Wendy thanks, I'll take the first one if that's okay Karen.

Karen Kerrigan: Yes, that's great.

Cali Williams Yost: Okay. You know this is a really interesting challenge that we face. I think people who get it need to be really loud about forcing those in the investment community--in banks--to really challenge their quantitative analysis model.

Which from my days as an assistant in credit training in banking and also at Columbia Business School, the finance-related classes that I took, it's very hard to build some of those quote unquote softer savings into these models.

And I think a lot of people just have to stand up and just start saying enough and here's what the savings are. I mean I called them softer, but quite frankly in my mind, they're very concrete.

So, I'm open if somebody's interested of putting together some kind of a group or advocacy group to challenge some of these financial models.

That would be very exciting and I think it would make a big difference. Now in terms of not making flexibility a women's issue, here is my personal opinion.

I think part of the problem is that a lot of organizations have led with flexibility as a women's issue in terms of the way the strategy was developed and initially executed.

So, it's been branded that way unfortunately up front. It's not what it was intended, but that's the way it's been branded.

And I think, at this moment in time, this financial crisis provides us all with an opportunity to rebrand flexibility in our organizations.

Yes, indeed it can be used to attract and retain all types of people throughout their career, including women and that's important.

But in a 24/7 rapidly changing work environment, every single person in your organization needs to understand how to use flexibility to manage their work life fit.

And that is indeed just one of many potential business impacts. So by pulling the lens back on flexibility, repositioning it as a business strategy and really emphasizing all of those impacts, I think we can get a lot farther in making it safe for everybody to see this is something that applies to them.

Betty Purkey: I'd like to jump in on that too--on the fact that it's not just for women. I come from a company (Texas Instruments) where actually only 23% of our U.S. workforce is women. And it is true. I think that in general, the whole thing around flexibility and many other work life issues and programs was that women were the leaders even in a company like TI that's mostly male.

But the truth is that if you're going to have flexibility work in a company like Texas Instruments, which is mostly male, then obviously, you want to make it relevant for everybody.

And the truth is, you want any of your programs to reach the maximum number of people possible. That's how you get value out of whatever you do. And so my sense has been as the flexibility concept has moved along, there is less of an "it's just for women attitude any more."

I certainly see in our younger workers that have come onboard within the last five to ten years that they're just assuming that there's going to be flexibility for both the men and the women.

Wendy Love: This is Wendy, am I still live?

Woman: You are Wendy.

Wendy Love: Okay, I also want to tell Betty that my little Texas Instruments calculator got me through business school and I will tell you there was nothing more exciting when all of a sudden everybody's little TI calculator flashed red as we were trying to calculate something in statistics class.

So I have fond memories and now you know those little \$5 calculators do more than those very expensive \$80 wonders did back in 1980, so I really appreciate it. Thank you very much.

But I do think as women we really have a role in trying to rebrand this whole notion of flexibility. And rebrand the notion for Wall Street--make it quantitative and really get the cost benefits out there so people really begin to see that this is a strategic thing, not just a soft perk.

Karen Kerrigan: Right. Thank you, Wendy for your great questions and thoughts which obviously resulted in more great answers and thoughts. Do we have another question?

Coordinator: We do. Our next question comes from Dale Melcher, your line is open.

Dale Melcher: Hello. I am at the Labor Center at the University of Massachusetts at Amherst and I teach an undergraduate course on women in work. I have been really focused on flexible work scheduling as something that we really need to pay more attention to.

And I really appreciate the idea that it should be rebranded--to be seen as something that both men and women in the workforce would need to take on as an opportunity. But I am also on the bargaining committee for the professional staff union here on campus.

And as a public sector employer, the university is looking at some really serious cuts. Since we're hoping that this will be a temporary crisis, our union is really interested in exploring flexibility and various ways to implement flexibility to avoid layoffs.

And I'm wondering if any of you have experience with public sector flexibility initiatives and whether any of you know anything about dealing with flexibility through the collective bargaining process.

Karen Kerrigan: Cali or Betty?

Betty Purkey: Not me, this is Betty.

Karen Kerrigan: Okay. Betty that's right--private sector, just retired?

Betty Purkey: That's right and non-union too.

Karen Kerrigan: Yeah. And Cali, do you have any thoughts about that?

Cali Williams Yost: You know I personally have not been involved in it but I do know people who have. If you want to reach out to me, I'm happy to share some of those names and insights.

Karen Kerrigan: And Linda - we have Linda Roundtree on the line too, right Linda?

Linda Roundtree: Yes, I'm here.

Karen Kerrigan: Are there a couple resources perhaps that we can provide?

Linda Roundtree: I think we could get back with her on that. I personally have experience working in companies that have unions, but I have not seen anything other than furloughing people as far as the creative flexibility goes there.

I am sure there are things out there and we can put our heads together and put some information out and post it on the site. Karen, can we do that, on the Flex Options site?

Karen Kerrigan: We can do that.

Linda Roundtree: Yeah, let's do that.

Karen Kerrigan: Dale, send me an email and I can send you that information. We'll also post it on the flexoptions.org Web site as well. My email address is: kkerrigan, that's K-K-E-R-R-I-G-A-N at W-E dash I-N-C.org.

And we'll definitely follow up.

Linda Roundtree: Yeah, and this is Linda, I just wanted to jump back in, I was thinking that a while back we did some discussion groups that were just really lively with folks from academic institutions. We talked about all kinds of flexibility initiatives. I have a distribution list of those folks that participated. I'm not going to just put it out there, but I will connect with them and see if they have any information that they might be able to share with you as well.

Dale Melcher: I'm aware of a number of different initiatives. I was just wondering if you all had anything to add to that. I mean my contract has some really interesting language that says that if layoffs reach a certain level, that it triggers all this language.

And we sit down and we have a conversation where employees are involved in shaping what those flexible options might be and how people access them.

And it comes from people wanting to share the burden/share the weight of cut backs--to say I'm willing to work less; that I'm willing to take a week of unpaid vacation; that I'm willing to go on four-fifths time or something like that, if it means my colleague will not lose a job.

And I guess I would argue that it's important to have an employee voice in kind of shaping how flexible downsizing happens.

Cali Williams Yost: This is Cali. That is a really an important point and I'm glad you brought it up. Yes, in this specific instance there needs to be a partnership--the whole thing needs to be based on a partnership model, and that includes just flexibility overall.

I think the sort of top down mentality in terms of implementation really isn't very effective and whether it is flexible downsizing in this particular period of time or just any of the other wide-ranging applications for flexibility, the most successful strategies are based on a partnership model where employers and employees understand how to come together to create mutually-beneficial solutions.

So I'm glad you brought that up because it's a really important point.

Karen Kerrigan: That's great. We'll get back with you with those resources. And we will move on to another question.

Coordinator: Our next question comes from Anu Menon, ma'am your line is open.

Anu Menon: Hi, I'm from the city of San Francisco Department on the Status of Women and this is more of a comment for everybody versus a question.

We've been working with the city in conjunction with Calvert Asset Management and also Verite's human rights labor group to put together a private sector initiative where we and the city worked with private sector companies to improve gender equality.

And we've been working with folks like Linda Marks and her group over at Hastings and a lot of other experts to develop indicators on different issues from work lifestyle balance to health management and governance.

On our Website we have a really good resource of work life balance indicators as well as a very extensive resource list that might be helpful—articles, business case practices, information on work life balance, etcetera.

So if people want to check that out...

Karen Kerrigan: Yes, that would be great. What is your Website?

Anu Menon: It's sfgov.org/DOSW. There's a link for the initiative--the San Francisco gender equality principles initiative.

Karen Kerrigan: Great. Well, thank you. When you say the different indicators, is it an index if you will that measures?

Anu Menon: It's a list of companies--there's a 20 page document where companies can rate themselves.

Karen Kerrigan: Oh, gotcha.

Anu Menon: But it also gives a lot of companies that we've been working with that have really just been using indicators as ideas for how to implement work life balance policies. It's a pretty extensive list that we've gone through several vetting processes with companies as well as local experts and academicians.

So I think it might be helpful.

Karen Kerrigan: Oh great, I'll check that out myself. Thank you so much. Operator, is there another question?

Coordinator: Okay, our next question comes from (Cindy Hemmer), ma'am your line is open.

Karen Kerrigan: Hello Cindy.

Cindy Hemmer: Hi, thank you. I guess my question would just be to expand on the unemployment issues that you're seeing--especially with companies that practice in multiple states.

And what maybe are some of the things that you're seeing because the employee is going to ask, "well, do I get unemployment?"

So, what are you seeing in practices out there?

Karen Kerrigan: You mean in terms of flexible downsizing?

(Cindy Hemmer): Yes.

Karen Kerrigan: Cali, have you heard from any of the companies that were...

Cali Williams Yost: Well, I think that this is the advice/ the opinions. It's on the blog posts I did from the unemployment attorney. I think that's one of the due diligence steps that you have to take in terms of investigating what programs states are putting in place.

I will say it's interesting. I keep hearing rumblings of different legislation that is either under consideration or has just been approved related to providing unemployment benefits to people who have been flexibly downsized-- meaning they're working, but they've had their hours reduced.

I would just make that part of your due diligence and perhaps Karen and Linda we could do a little bit of research just to get the most up to date list of states that are offering this.

(Cindy Hemmer): Oh, that would be great.

Cali Williams Yost: Yeah, but that's what I would say. I think there is a level of just understanding and due diligence that has to go into the initial thinking on this for all the states that you operate in.

I know, for example, California has some issues related to overtime pay and other things like that you want to make sure you're aware of.

(Cindy Hemmer): Okay great.

Karen Kerrigan: Okay, is there another question.

Coordinator: Yes, our next question comes from Shawn Trobia, your line is open.

Shawn Trobia: Hi, thank you. I'm Shawn Trobia. I'm from the Governor's Office on Aging in Arizona. In Arizona, we have an initiative that's about three or four years old--the Mature Workforce Initiative.

And as part of that initiative, I have a mature worker Web site that I maintain that's designed for resources for both job seekers and employers alike.

And I was wondering, I'm going to take a look at some of the Web sites that you guys have talked about today. And I just wanted to make sure that if there were any specific suggestions, I'd like to get some of these Web sites onto my Web site as a resource for employers who are faced with some of the problems of today.

Again, our Web site is more geared towards employers who recognize the value of mature workers and some of these employers have actually been certified as mature worker-friendly in Arizona.

I just wanted to make sure that I have your Web site addresses. I got the one from the lady with the DOSW, and Cali, I've also got your worklifefit.com

I'll look at those Web sites and with your permission try to come up with a one or two paragraph description, then include it as a link on my Website.

Karen Kerrigan: Great. Oh that would be wonderful. And do you use the flexoptions.org Website as a resource?

Shawn Trobia: You know, I am just now starting to enhance the content for the job - for the employers. It's been real heavy on job seeker resources and we're finally getting some time to work into employer resources.

Karen Kerrigan: Oh great.

Shawn Trobia: And one of our partners here in Phoenix is a Chamber of Commerce that also works with the When Work Works program. They're very involved in that and are kind of taking that into the other Arizona Chambers of Commerce chapters, too.

So they're one of our partners with our initiative. I just wanted to make sure if there were any other options--so you're mentioning the Flex Options Web site?

Karen Kerrigan: Right. The flexoptions.org, Web site has a lot of resources. Our Flex Options Guide Book goes through all the different types of flexibility. And if you go to the Flex Options Project Event page, there are many, many different transcripts and highlights of all the previous teleconferences that we've had. The Flex Options Resource Center is really a gold mine of good stuff. I think that you'd want to point employers to it, as well as the Flex Options Toolkit.

So there - I mean the site in general is terrific, then there's individual pieces that may make sense for you to direct employers to with a more direct link.

And your Website is...?

Shawn Trobia: Our Website here is [www.azmatureworkers](http://www.azmatureworkers.com) with an S on the end of that, dot com. And it's a little less than a year old. It was part of the initiative and part of the work that's been done in the last two or three years in Arizona to put a resource together where employees can find jobs. This is certainly before the economy has done what it's done recently. It's also a Web site where employers can find mature workers and mature workers can find employers who are interested in speaking with them and you know providing opportunities for employment.

We work with both paid and unpaid opportunities too on that Web site. I'm working on building my content on it, so I'm really glad to hear about some of the resources today.

Karen Kerrigan: If you go to the flexoptions.org Web site in the Flex Options Resource Centers there's also other links and sites that have some really good content as well.

But thanks for giving us this information.

Shawn Trobia: Oh, you're welcome, thank you for your suggestions too.

Karen Kerrigan: Okay, our pleasure. Is there another call?

Coordinator: Yes, our next question comes from (Shera Bell), ma'am your line is open.

Shera Bell: Yes, my name is Shera Bell. I'm president of R&S Info Services in San Antonio, Texas. Do you know of any companies that are thinking about using the flexible downsizing instead of layoffs?

Cali Williams Yost: Yes.

Karen Kerrigan: Is that Cali?

Cali Williams Yost: Yes it is. Yes, yes, yes, yes.

(Shera Bell): And what do they think about it? Do they think it's a better strategy than laying off their employees?

Cali Williams Yost: Yes. They see that it is a perhaps an interim step before they would have to lay people off or they see it as a way to minimize the amount of layoffs that they're going to have to make.

They just want to try to keep as many people around as they can and they just see a lot of various ways to do that before they would be forced to move right to cuts.

Karen Kerrigan: And Cali did you write about some of those on your blog?

Cali Williams Yost: Yeah, I've been blogging about this for probably weeks and months now. If you just go to my Fast Company blog you can get to it, you can go to fastcomapany.com and type in Cali Yost and it takes you up to my blogs.

Or you can go to worklifefit.com/blog and it goes right to my work life fit blog and I also have all my Fast Company blogs downloaded there.

And that's one of the reasons why I really want everybody, I mean it, I really mean it, to email me examples of people or companies that you know of who are being innovative.

Because there really isn't one way everybody's doing this. People are being really creative, given their business and the people who work there. I would

love to share some of that creative thinking. I think people are really seeing that there's a better way to do this.

So please, please give these names to me, I will post them and share them.

Karen Kerrigan: Great. Thanks Cali. What we're doing at Flexoptions.org is collecting a lot of the articles or the features that have profiled businesses that are also doing this approach. Hopefully that will make a nice little resource area on our Web site as well.

There have been a lot of other stories you know through many of the business journals throughout the country--the New York Times had a feature on this.

So we're doing a search and we're collecting those stories and we'll have a little spot on the Web site. And those get little snippets of approaches that different companies have implemented in terms of using creativity and all the different variety of flexible options that are out there to make it through this current period.

Cali Williams Yost: And I try to link in my blog whenever I post to the most recent articles too.

Karen Kerrigan: Good.

Cali Williams Yost: I'll look on your site and try to see what you're finding.

Karen Kerrigan: Or we could just link to Cali's site, right?

Cali Williams Yost: Well no, we could link to each other. That's the beauty of the internet.

Karen Kerrigan: Okay, well thank you for that question.

(Shera Bell): I have one more question.

Karen Kerrigan: Okay.

(Shera Bell): If individuals volunteer to reduce their salary and cut their hours, do you think that that would greatly affect their standard of living?

Cali Williams Yost: You know I have to say I'm hearing a lot of stories about this, people raising their hand and saying they'll take a cut in salary and schedule. So you have to assume that this person has made a decision that they can handle it.

I think there are just some people who really would like the ability to just cut their schedule and they're willing to take the salary cut.

But I also hear stories about colleagues who see the potential need for downsizing and they want to help avoid layoffs so they're willing to take that cut.

So it either (a), saves their job or (b) saves the job of a colleague. And yeah, it does impact them but there are people making that choice on their own.

Karen Kerrigan: Right, doing that in the short term as opposed to not having a job. They're looking at it from a long term perspective.

Cali Williams Yost: Yes.

(Shera Bell): Okay, thank you.

Karen Kerrigan: Thank you so much. Operator, do we have another call?

Coordinator: Yes, our next question comes from Kathie Lingle.

Karen Kerrigan: Oh Kathie, you're back.

Kathie Lingle: I don't know, is my line open this time?

Karen Kerrigan: You are now, yes.

Kathie Lingle: Okay good. I was very interested to see a couple days ago in the New York Times an ad from a CEO. And he's appealing to executives to stop laying people off.

And what he says is and this I think could be another argument is the very work life kind of argument. He said I own stock in many of these companies and would prefer that the company make a smaller profit and the stocks fall in the short term rather than affect the lives of our neighbors and their families as jobs are lost.

And so he says please join me in reminding all CEOs that we're not just dealing with numbers and profits but real people and real families. Please keep your employees working.

I think this is very interesting. I'm not expecting a rash of these kinds of ads, but I am wondering if there might not be some kind of appeal that could go into the calculus that just as individuals are pulling back, Wall Street's pulling back. Why don't companies think about whatever their budget forecast is for 2009 and trimming that back.

And you know pulling together, because the more people are out of work, it hardly helps them either.

Cali Williams Yost: It's interesting, Kathie. This is Cali. If people Google a PBS show called "It's The Economy," with Barry Diller--he was just on last week and he said almost the very same thing.

Organizations really just need to think twice about this. And unless you are on the edge of catastrophe, there just has to be more flexible creative ways to do this.

And I thought that was very interesting. I'm going to actually blog about leadership and leader responses next week and I'll put a link to that clip in my blog post.

But in the meantime, if you want to go watch what he has to say it's quite compelling.

Kathie Lingle: Thank you.

Karen Kerrigan: It would be great if other leaders like Barry and the CEO who put this full page ad in the New York Times-- the ones that recognize that the value of human capital is even more important than or just as important as real capital--capital in the Wall Street sense.

Because there's a lot of them out there and it would be nice if there was some type of movement where they all can speak up in unison about the value that companies need to place on their human capital.

Michael Williams?

Michael Williams: Yes.

Karen Kerrigan: I think we're past 3 o'clock.

Michael Williams: We're about three to four after, but the topic is pretty interesting and I actually want to listen to another question myself. Let's take one more question and then we'll wrap up.

Karen Kerrigan: Okay. We'll see if there's a question, operator is there another question?

Coordinator: At this time I show no further questions.

Karen Kerrigan: Well Cali, one of the road blocks you mentioned was systems being a barrier. Can you be more specific about the systems that you talked about?

Cali Williams Yost: Yes, and I've actually heard this in a few instances. Sometimes, I think our technology--we've set them up to be applied across the board--and perhaps some of our systems don't allow for a lot of unique combinations of working flexibly.

There are limits to how you would account for something like that or it's too hard to adjust your codes to reflect a change in status.

So there's serious resistance. You hear things like "you know all the systems adaptations that we're going to have to make are just too complicated, we can't figure them out."

I think technology and systems are wonderful but you've got to make sure that your codes and how you account for things aren't so rigid that it takes away from some of that creativity.

Karen Kerrigan: Yes, well said, well said. Mike, I think that's it. Betty, did you have any closing comments?

Betty Purkey: Yes. I think that you know the key part in all of this around flexibility is being strategic about it, being thoughtful about how it moves the business forward, and how it helps the business and the individuals.

And that really comes into play for almost everything that we've talked about today. There are different ways to think about strategy and being strategic. Use your human capital effectively to be in position not only to survive the downturn, but to come out strong and able to compete on the other side. Don't be in a rush to downsize

Karen Kerrigan: Well said. Cali, how about you?

Cali Williams Yost: I would just say I think the reality is that we are in an era of rapid change and organizations really need to see work life flexibility not just as a perk, not just as a benefit.

It really is a business strategy for operating and responding quickly when change happens, challenges happen, but also opportunities present themselves.

So you know really start putting that infrastructure in place, a process based infrastructure for flexibility and really get your culture aligned behind that so it's a lever that you have to really thrive not only in tough times like this, but when we get beyond them.

Karen Kerrigan: Great. Well I'm going to turn it back to Michael, let me thank Cali and Betty for your time and all the great information you shared as well as the participants out there.

And just to remind folks that a transcript of this teleconference will be posted on the flexoptions.org Website in the coming month.

So with that I'm going to turn it back to you Michael.

Michael Williams: Okay, thank you. In fact now that I've had some time, I've come up with a question and this one is basically for Betty.

Betty, you're coming from a large company like Texas Instruments. When you see people getting laid off in large numbers at large companies, what are the chances of any of these people being called back?

Or usually when they lay off that many people hardly any of them ever get a chance to come back to the same company. Do you have any ideas on that?

Betty Purkey: I think that it really depends on the company--whether large and small--and how things evolve over time.

In my observations from companies that I've been in and other companies that I've seen, when there's a move to downsize, it's because you reposition yourselves strategically and really refocusing your businesses. And so there may be an opportunity down the road for some of those jobs to come back, but usually not all of them.

There are industries that tend to have these big up and down cycles. You would hope, over the years that they would have learned that maybe downsizing is not the best way to go.

I think it just really does depend on the industry, the business, and how the company evolves over time.

Michael Williams: Okay. Well, thanks a lot. I'd certainly like to thank everybody for joining our conference call today. I'd like to thank Cali and Betty for joining us and giving us these great presentations.

I'd like to thank Linda Roundtree and Karen Kerrigan, our national contractors, who have been working with us over the past five and a half, six years with our Flex-Options Project.

And I'd like to let everyone know that our next call will be April 23rd of 2009, this is - the call we had today was just our second one for this year.

So look on the Women's Bureau Web site at www.dol.gov/wb and you'll be able to find who the speakers are and the topic for that next call.

And for more information on the Flex-Options Project, just go to www.flexoptions.org, and you can get more information about the project. In a few weeks--like Karen said--the audio transcript and the written transcript will be posted on that Web site.

And information about future conference calls will be on that Website also. So we'd like for everybody to continue to push these flexible workplace options and we are hoping that these calls are having a positive influence on you and your business culture.

So once again thank everyone for participating in our call today and have a pleasant afternoon. This concludes our call for today. Bye bye.

END

The information included and the opinions expressed in the teleconference transcript do not necessarily reflect the positions of the U.S. Department of Labor, and no official endorsements by the agency should be inferred.