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MBA PROFESSIONAL REPORT

POSSIBILITIES AND LIMITATIONS
OF FLEXIBLE WORK ARRANGEMENTS IN THE MILITARY

June 2016

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Employers widely utilize flexible work arrangements (FWAs) both to improve employee work-life balance and to increase organizational effectiveness. To date, the private sector has embraced FWA to a much larger extent than has the military. In this project, I outline the underpinnings of workplace flexibility and describe how it can potentially improve the military labor market. First, I outline a conceptual framework that addresses the work environment’s dynamics and complexities while assessing the most common benefits and challenges found in FWAs. Second, I outline a military-centered five-phase process that facilitates the implementation of FWAs in the military work environment. The model is not a panacea, but is instead a comprehensive starting point to help management understand the importance of workplace flexibility, the positive effects from the organizations’ and defense members’ perspectives, and the elements of an implementation plan.
POSSIBILITIES AND LIMITATIONS OF FLEXIBLE WORK ARRANGEMENTS IN THE MILITARY

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<td>Australian Defense Forces</td>
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<tr>
<td>C.O.</td>
<td>commanding officer</td>
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<td>DISA</td>
<td>Defense Information Systems Agency</td>
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<td>DOD</td>
<td>Department of Defense</td>
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I. INTRODUCTION

The centralized model of the workplace was the predominant model for almost every major institution into the first half of the 20th century. Moreover, the “visibility” culture pervaded organizational behavior so deeply, that it is still the prevalent management approach, regardless of the increasing number of knowledge workers, new disruptive technologies, and telecommunications progress. Nevertheless, private companies have tried to find new ways to elicit employee potential and adapt to the neverending changes. Social phenomena such as the expansion of the labor pool, new macroeconomic policies, and the demand for better work-life balance have exerted a lot of pressure on institutions to incorporate new human resource strategies into their work environments. A widely used initiative has been the implementation of flexible work arrangements (FWAs). The term describes a number of alternative work arrangements, which provide employees the option to have flexibility or control over the amount and scheduling of hours worked, as well as the physical location of their work. These arrangements are intended to reconcile the difference between the expectations of management and the needs of employees in the current dynamic work environment.

A. PURPOSE AND EXPECTED BENEFITS FROM RESEARCH

With the Greek economy entering its seventh consecutive year of recession, the Hellenic Armed Forces (HAF) have been directed to use their resources more efficiently, while keeping positive morale and retention high. The human resource is considered the most significant asset, and HAF should consider incorporating alternative work arrangements to better address their needs. This study intends to inform the leaders of the Hellenic Navy General Staff (HNGS) of the basic principles that necessitate the implementation of alternative work arrangements. Therefore, this project includes an analysis of workplace flexibility and an assessment of its intertwined factors. The final outcome would be a two-dimensional theoretical model. The first dimension consists of a framework that could help senior military management in understanding the reasoning, complexity, and the actual costs and benefits of FWA in the military work environment.
The second dimension is an analytical implementation program. The purpose of model is twofold: to become a tool for decisionmakers to understand and elaborate on the FWA context and to offer a clear, dynamic, and modular plan that could facilitate the implementation of the most appropriate FWA for any suitable Hellenic Navy (HN) agency.

**B. RESEARCH QUESTIONS**

1. **Primary Question**
   - How could a military agency implement flexible work arrangements?

2. **Secondary Questions**
   - Why should a military agency pursue non-standard work arrangement?
   - Which factors must be taken into account before initiating any new work arrangement initiative?
   - What are the necessary phases to assess, evaluate, and finally implement a FWA in a military agency?

**C. METHODOLOGY**

This MBA project consisted of the following steps:

1. Conduct a literature review on FWAs by analyzing the types, history, and cultural perspective, as well as describing case studies with their respective lessons learned.

2. Design a three-layer conceptual framework as the first dimension, which would map the driving forces and the complexities for any non-standard work arrangement, and assess the most common FWA benefits and challenges.

3. Design and assess a five-phase process as a second dimension, which may facilitate the selection, implementation, and evaluation of any eligible FWA.

4. Offer conclusions and recommend further actions based on this project.
D. ORGANIZATION

Chapter II, the literature review, presents the definitions, history, cultural differences, and popular conceptual frameworks related to FWAs. Four case studies show how leadership’s goals and visions have impacted the perceptions towards FWAs. In Chapter III, a comprehensive conceptual FWA framework and a qualitative cost benefit analysis are used as guiding models for management to understand the underlying principles and dynamics for any work arrangement. Chapter IV analyzes a comprehensive five-phase implementation plan, which can be adapted to any military work environment. Finally, Chapter V concludes this report, recommends further actions for Hellenic Navy senior leadership, and describes the limitations and the avenues for further research into this topic.
II. LITERATURE REVIEW

The new business trend has fed a persistent pattern that the ideal employee, especially in “professional and managerial levels,” committed to work by spending many hours in the workplace, elevating work over family obligations. The main reason is society’s tendency to overvalue consumerism, organizational efficiency, and job commitment versus family values (Lewis, 2003). But organizations decided to experiment, implementing alternative work arrangements in their work environment, as an alternative to effectively respond to market volatility and workforce needs (OECD, 1999; E. T. Stavrou, 2005; OECD, 2014; The Council of Economic Advisers, 2014). However, other extensive studies have also found negative repercussions such as implementation costs, relationship impoverishment, and increased managerial cost for planning and supervising (Baltes, Briggs, Huff, Wright, & Neuman, 1999; Gajendran & Harrison, 2007).

It is quite challenging to determine the exact definition of FWAs due to overlapping concepts and their applications. Different industries use differing terms to describe the flexibility of the location and the schedule on which tasks are performed. Nevertheless, there is a consensus that FWA include arrangements, where the employee selects, in general, the location, time, and duration of their work-related duties and tasks (Kossek & Michel, 2011, p. 8). For the purposes of this project, unsocial work arrangements like overtime as well as any informal arrangements such as casual dress days, mealtime flex, and break arrangements were not included due to their non-applicability to the military work environment. Thus, the next section includes an analysis of the most common FWAs: flextime, a compressed work schedule, a non-standard working week, a results-only work environment, and job sharing.

A. COMMON FLEXIBLE WORK ARRANGEMENTS

1. Flextime

Flextime, or variable work hours, separates the work schedule into a stable core period spent in the traditional workplace and independently chosen flexible periods for
the remainder of the schedule. Management normally designates the required core periods during which all defense members need to be present at their physical workplace. Other examples of flextime are staggered hours within a fixed predetermined schedule, core hours within a variable schedule, and midday (longer breaks) flextime. The variable work hours arrangement is deemed easiest to implement and is widely used by many countries (Altman & Golden, 2007; OECD, 1999; OECD, 2014). It has the minimum impact on operational readiness, while not relying on additional technological, administration or organizational costs. Furthermore, it includes most of benefits found in flexible arrangements such as increased productivity, retention, positive employee morale, organizational commitment, effectiveness, financial performance, and lower absenteeism (Baltes et al., 1999).

Conversely, the reduced core workday might raise administrative and communication issues such as tracking work hours, coordinating projects, and collaborative briefings. Meetings and training sessions fit into fewer time slots, which demands better planning. Understaffing in business hours that might be deemed productive or critical for the agency’s success might also occur. Finally, it might incur costs like the unfavorable extended “work devotion schema,” behavioral biases due to the lack of the “visibility factor,” and it may not free as much time as defense members anticipate (Yam, Fehr, & Barnes, 2014, Noonan & Glass, 2012, Þorgeirsdóttir, 2012).

2. Teleworking

Allen, Golden, and Shockley (2015) defined teleworking as “a form of work organization in which the work is partially or completely done outside the conventional company workplace with the aid of information and telecommunication services” (p. 43). It is more suitable for defense members, whose tasks can be completed without direct supervision, access to specialized technical equipment or confidential data. The output of employees is usually intellectual rather than tangible or dependent on face-to-face interaction. The duration of the arrangement can vary from one day every biweekly period to extreme cases such as fully teleworked status. But not all tasks can be
performed off-site and not all defense members could be as efficient and productive as before by telecommuting.

The major benefit is that teleworking provides the ultimate flexibility. The defense member could save commuting time and increased productivity due to less exposure to office distractions and increased perceived autonomy (Gajedran et al., 2007). Furthermore, telecommuting keeps high rates of operational readiness and high availability in case of calamities and “black swan” events. For example, the U.S. federal government strongly encourages its agencies to adopt telework arrangements as a critical part of their Continuity of Operations Plan doctrine and their “emergency preparedness policies” (OPM, 2014). Conversely, teleworking relies on employees’ tendencies to be self-motivated and well-organized. High quality infrastructure such as physical security token and virtual private network (VPN) is also essential, especially when accessing sensitive military data. Issues might also arise with office-located meetings or colleagues’ relationships. The work location needs to follow health and safety regulations, while the defense members might also incur overhead expenses, which may not be reimbursed. Finally, evaluation and supervision issues might also take place.

3. Compressed Work Schedule

A third common arrangement is the compressed schedule. This arrangement offers the option of working fewer days per workweek but more hours per day to fulfill the necessary 40-hour or 37.5-hour workweek requirement. Typical examples are the 4/10 and 3x12.5 schedules (three or four days of extensive work hours for longer weekends), and the 8x9 option (1 day off biweekly) (DeCenzo & Robbins, 2005).

The compressed schedule is a common option for employees with increased responsibilities. The tradeoff is usually longer weekends or days off for family obligations. It is widely used in the military, not as an official FWA but as an informal necessity for faster career progression, or as a widely accepted element of the military environment work culture. This arrangement is easily implemented and may increase productivity due to less exposure to interruptions during the atypical work hours. It is also useful in cases of busy workdays or when the agency needs increased staffing and
usage of equipment outside normal hours. Conversely, productivity might be impaired due to work fatigue and higher risk for severe health repercussions (Dunham, Pierce, & Castaneda, 1987; Kivimäki et al., 2015; Parker & Kulik, 1995). In addition, tracking work hours, questions about productivity due to longer work days, and supervision and participation in coordinated projects might also be issues, while the additional overtime expenses, such as payroll and benefits have a negative impact on organizational budgets.

4. **Non-standard Working Weeks**

The fourth arrangement is the non-standard working week. It includes work arrangements that do not fit into the typical workweek such as working during weekends instead of a workday or as an extension of the five-day workweek. It is common in engineering and manufacturing agencies where production must not be interrupted or delayed, or if an emergency occurs. This arrangement increases operational readiness and effectiveness due to longer working periods (California Institute of Technology, 2014). It is also the only option for the employee who may be available only on weekends. The disadvantage is the need for supervision over working hours during off hours. It may also create difficulties in scheduling meetings or in collaboration projects.

5. **Results-Only Work Environment**

A provocative arrangement is the results-only work environment (ROWE). The core of this unorthodox scheme is the achievement of organizational goals, regardless of work location and time schedule. “Work” is no longer a place where one has to be, but instead simply something one does. Employees are totally free to control their schedules and work location, so far as they achieve their necessary targets (Moen, Kelly, & Hill, 2011). The goal is to achieve the macro-expectations without micromanaging or intervening in employee schedules. But due to its radical core, ROWE is the lowest implemented FWA among organizations (Society for Human Resource Management, 2015).
6. **Job Share**

Finally, a common and low-cost arrangement is job share. It is the arrangement that allows two or more employees to share the tasks and responsibility of one full-time position with or without overlaps. Typical examples are two employees working daily mornings and afternoons or on alternate weeks with changeover periods in between. The compensation and benefits are shared accordingly and typically there is a normal contract of employment. According to Gallo (2013), typical reasons to pursue this arrangement are family or educational obligations, working a second job, and a desire for a less stressful work schedule.

A graphical representation of the major FWAs according to workplace location and individual, who sets the work autonomy, is shown in Figure 1.

![Flexible Work Arrangement Map According to Location and Autonomy.](image)

Figure 1. Flexible Work Arrangement Map According to Location and Autonomy.
B. HISTORY

According to Allen et al. (2015), alternative work arrangements were widely accepted as an option in the first oil crisis in the 1970s, as an option to cut commuting time and energy consumption. At the same time, information technology (IT) corporations recognized FWA as a tool for attracting talented, in-demand code-programmers. Nilles (1975) was the first to apply the implications of non-standard work arrangements to a wide range of organizational problems. The need for a better work-life balance emerged in the 1980s, since the number of working single parents and dual earning families increased significantly. According to Gore (1993), the federal government issued the Federal Employees Flexible and Compressed Work Schedules Act (F&CWS) in 1982 but did not actually enforce it, regardless of the potential benefits. A decade later, the White House supported the implementation of different FWAs across federal agencies (Gore, 1993). At least 10,000 employees utilized the new initiative by the end of the twentieth century (Allen, Golden, & Shockley, 2015; Avery & Zabel, 2001).

The major factors that led companies to embrace alternative work arrangements were the declining prices of new portable technologies and the popularity of the Internet (Kizza, 2007). Moreover, federal regulations like the Federal Clean Air Act, the Telework Enhancement Act, and the Americans with Disabilities Act, pressured firms to promote alternative work arrangements instead of excluding people from their right to work (Allen et al., 2015). The federal government pioneered these initiatives by offering three times more FWA opportunities to employees than private sector firms (Shanks, 2007). Nowadays, almost 70 percent of top managers offer some kind of FWA as a tool to attract top-tier employees, while more than 75 percent of American firms offer some form of FWA to some of their employees (Williams, 2005). But the implementation varies significantly even within the same industry (Bloom, Liang, Roberts, & Ying, 2014; Bloom, Kretschmer, & Van Reenan, 2009). Employers consider financial difficulties as the major reason for not pursuing further FWA implementation, although the actual financial tradeoffs and benefits might not be taken seriously into account (The Council of Economic Advisers, 2014). For example, the congestion problem costs on average $960
per auto commuter in the U.S., while an employee in Washington, DC spends yearly 82 hours in traffic or $1,835 in delay and excess fuel consumption. In general, the congestion cost around $160 billion to the U.S. economy in 2014, an increase of 400 percent in the last 30 years, 6.9 billion hours of wasted time and 3.1 billion gallons of wasted fuel (Schrank, Eisele, Lomax, & Bak, 2015).

C. CULTURAL PERSPECTIVE

There are also big discrepancies on how different countries approach the FWA, with respect to their organizational and societal culture. According to Bloom et al. (2014), more than half of the managers in developed Western countries work remotely, while only 20 percent implement the initiative in developing countries. The low implementation rate of FWAs is usually the outcome of cost overestimation, lack of information and social benefits devaluation (The Council of Economic Advisers, 2014).

In the Western, English-speaking and liberal economies (the United States, United Kingdom, Australia, etc.) flexibility is “firm-centered and employer driven” and governments are very reluctant to regulate work-life policies (Kossek, Lewis, & Hammer, 2010). The purpose of FWA is to increase the shareholder’s wealth and firm’s value, instead of being an arrangement that takes into account the actual employee needs (E. Stavrou & Kilaniotis, 2010; Tregaskis & Brewster, 2006). According to the same studies, the belief that long stays at work are the only justification for higher wage compensation and promotion is so predominant, that employees do not pay attention to the increased turnover and burnout associated with these arrangements. Nevertheless, almost 80 percent of workers are willing to accept flexibility in their work schedule, but only if no negative consequences result from their decision (Galinsky, Bond, & Hill, 2005). Nowadays, more than half of Western private sector firms offer at least one kind of FWA (Bloom et al., 2014). Furthermore, the demand for flexibility exceeds the supply, and FWAs tend to have wider implementation overtime, but the rates have slowed lately, while disparities have been found among business sectors (Altman & Golden, 2007).
In addition, the Organization for Economic Co-operation and Development (OECD) reported that there are significant differences between developed countries on how employee working time is set (see Figure 2).

Figure 2. Proportion of Employees Having Working Time among Countries. Source: OECD (2014).

Many European countries have legally protected FWAs, and local management encourages employees to follow these initiatives. The main reasons for the wider implementation are stronger labor unions, the level and context of public work regulations, and the widely implemented open communication practices. Nevertheless, most companies do not act very “excited” in implementing flexible workplaces; most of them simply comply with their respective government regulations (Brewster, Mayrhofer, & Morley, 2004; Kossek et al., 2010; E. Stavrou & Kilaniotis, 2010). Therefore, the organizational culture itself seems to be the most mobilizing force in institutional view and implementation of any available FWAs (Evans, 2002; Þorgeirsdóttir, 2012).
D. CONCEPTUAL FRAMEWORKS OF FLEXIBLE WORK ARRANGEMENTS

Several scholars identified the major characteristics of workplace flexibility variables and their solid foundations. Some scholars believe that non-work factors are the basic motivating reason behind flexibility preferences, while other scholars supported the work environment as the basic driving factor (Doherty, Andrey, & Johnson, 2000). The eligibility depends on job description since flexibility requires information-oriented tasks that are individually driven and easily comprehended, that results must be easily planned and measured, and that there is no reliance on physical access to assets. Thus, FWAs have higher chances of success in sectors that are technology dependent or require a lot of paperwork (Noonan et al., 2012; Gupta, Karimi, & Somers, 2000; Nilles, 1998).

Hill et al. (2008) systemically approached the major inputs and outputs of workplace flexibility using the ecological system theory. They concluded that four major systemic variables could impact the underpinnings of every FWA: demographics, home/family, workplace, and community. Gajendran and Harrison (2007) provided a different theoretical framework that presents the outcomes of FWAs through three intervening psychological mediators: work-family conflict, relationship quality, and the perceived autonomy which is deemed the most important. Their meta-analytical approach signified that in general, any kind of FWA has modest yet positive outcomes.

E. CASE STUDIES

Following are more detailed analyses of four case studies that demonstrate how the private and public sectors faced the FWA differently according to their leadership’s incentives and resources. Furthermore, each case shows the complexities and interactions between employers and employees that are associated with each non-standard work arrangement. The first case is Yahoo!, the tech giant that pioneered the usage of FWAs for a decade. Despite the workplace flexibility culture and resource availability, Yahoo failed to restore its core business elements to growth, forcing the new executive team in 2013 to demand a radical culture shift, as a first step to revamp the struggling firm. The second case describes how the management of electronics retailer Best Buy cancelled a
successful (according to all the surveys) but radical work arrangement: the Result Only Work Environment (ROWE). The cancellation reflected a management style shift towards more field-tested initiatives, despite the encouraging outcomes. Both cases show that for-profit organizations sometimes take radical measures to increase their value. The last two cases describe how flexible arrangements were successfully implemented in two different military environments: the Australian Defense Forces (ADF) and the Defense Information Systems Agency (DISA). Despite the inflexibility and bureaucratic backbone of the military work environment, both services embraced the new initiatives, mostly due the decisiveness and the capabilities of their leadership.

1. **Yahoo!**

Yahoo!, like most tech companies, embraced the FWA as a tool to attract bright code-programmers and engineers. The main purpose of the non-standard work schedules was to increase productivity and encourage collaboration and innovation, but despite their popularity, they did not contribute a lot to the diminishing financial value and prospects of Yahoo! during the 2000s (Guynn, 2013). In 2013 the new executive team cancelled the program because it did not enhance “collaborative opportunism” and “opportunistic collaboration” (Swisher, 2013). Other scholars pointed out that Yahoo! decided to follow Google’s success recipe of “multi-dimensional and physical open-space collaborations” as the only way to foster a creative culture of digital innovation (Schrage, 2013).

2. **Best Buy**

An interesting and paradoxical study is the case of Best Buy. In 2005 the Minnesota-based American electronics retailer implemented a tailored results-only work environment (ROWE) work arrangement. It gave employees the option of changing their working time and space without even seeking permission from or notifying a manager. The initiative had positive social-locational effects, reduced turnover by 45 percent, had significant positive spillovers over employee work-life balance and schedule control, had significant cost savings, and improved organizational performance (Moen et al., 2011). Paradoxically, the new arrangement did not actually increase the amount of time employees spent with their kids but reallocated the available time to different obligations
(Hill, Tranby, Kelly, & Moen, 2013). In 2013, management cancelled the initiative due to concerns regarding the structure and delegation methods. They shifted to traditional management methods like one-on-one motivating, coaching and continuous directing (Joly, 2013). According to the *Harvard Business Review*, the main reasons for the shift were favoritism towards micromanaging, and the “short term get-tough mindset” which is common in conservative and matured companies (Valcour, 2013).

3. **Australian Defense Forces**

In 2012 the ADF officially pursued a wide implementation of FWA in their agencies, despite any common “cultural and structural obstacles” (Cathcart, McDonald, & Grant-Smith, 2014). A clear set of framework, principles and guidelines was given and a reasonable 2 percent implementation rate was set for each military agency (Australian Government, Department of Defence, 2012). The results, as published by Professor Cathcart and her team, were mixed: most of the requests were granted but the “informal, occasional, and ad-hoc” initiatives remained quite popular. Pursuing better work-life balance was the most significant factor but the incentives and implementation rates varied significantly. Almost half of the defense members were afraid that accepting a FWA might negatively impact their career. Furthermore, higher-ranked officers preferred arrangements with long core hours at the office, while lower-ranked defense members chose to spend more time away from their workplace (Cathcart et al., 2014).

The research from the Queensland University of Technology concluded that the pressure to meet the objectives, which were set by the aloof top management, might distort the essence of the initiative. Managers might simply have molded their actions to achieve the goals set by the Human Resource Department (Cathcart et al., 2014). This perspective drifts the initiative from its objective, which is to fulfil the requester’s true need, and it decreases the chances for wider implementation and acceptance. The most effective way to achieve a wider implementation is for management to confront early any strong resistance to change and to infuse these changes in the organizational DNA, as the next case study shows.
4. Defense Information Systems Agency (DISA)

Since 2001 DISA has led the implementation of teleworking in the federal government. The initial teleworking option of one day biweekly was soon upgraded to up to three days per week, due to its tremendous success (Overmyer, 2011). The successful factor was a decisive insiders expert team, who crafted the plan, including the framework and any required policies as well as the extensive usage of “locked down” virtual private networks (Glover, 2009). According to Overmyer (2011), four elements were crucial for the success of the initiative: consistent support from senior management; continuous training to everyone according to the agency’s overall culture and spirit regardless of their rank; the instant implementation without any “paralysis by analysis”; and the automated administration process. Finally, setting the right performance standards and tackling evaluation issues helped DISA overcome resistance to change. The overall benefits were increased retention and employee satisfaction, improved quality of life, reduced transportation costs, continuation of operations, while 90 percent of supervisors stated that overall productivity was increased or at least remained constant (Glover, 2009; Overmyer, 2011).

F. CHAPTER SUMMARY

In conclusion, the literature review demonstrated the complexity and the different perspectives that accompany alternative work arrangements. Different arrangements are associated with different management style and resource allocation. Historically, the benefits of FWAs traveled by word of mouth during the past twenty years, after a long process of maturing and indecisiveness. Culturally, differences are seen in how countries favor the arrangements: employee-centric or employer-centric. Different theories have tried to analyze the dynamics of FWAs and conceptualize them into a theoretical framework. Finally, four case studies demonstrated how a number of critical factors can determine the receptiveness on the FWAs, regardless of whether the institution is a private, public or government entity.
III. CONSTRUCTING A COMPREHENSIVE CONCEPTUAL FRAMEWORK

There is an inherent reluctance to incorporate private sector management initiatives into government agencies. A recent study claimed that the public sector’s bureaucratic mechanisms, the strong resistance to change, and the greater exposure and familiarity with the negative side of workplace flexibility are the main reasons for the reluctance (Augier, Dew, & Aten, 2015). Furthermore, the public sector clings to the traditional assumption of work: work equals the total amount of time spent and effort expended in the workplace, notwithstanding the time squandered supervising employees (Galinsky, Matos, & Sakai-O’Neill, 2013). But the FWA approach is not a novel concept in the military. The process of requesting flexibility in the work environment has been commonplace within agencies, but these requests were mostly informal or verbal in nature, such as tardiness or dismissals due to family obligations and personal demands.

The purpose of this MBA project is to analyze the baseline and design a modular process, which could facilitate the implementation of a FWA in a military agency. Thus, the first dimension of the process is to acknowledge the driving forces behind any alternative work initiative and analyze the common complexities of work arrangements, by using a parsimonious collection of criteria and mediators. Furthermore, a cost benefit analysis would help senior management clarify the magnitude of the benefits and challenges. The objective of this conceptual framework is to help decision-makers understand the reasons that necessitate the implementation of alternative work arrangements, as well as the parameters that determine the type and the success rate of each arrangement. Figure 3 describes in details the criteria and variables of the framework.
Figure 3. Flexible Work Arrangement Conceptual Framework.

The top level includes the elements that have challenged conventional work habits and convinced management to pursue alternative arrangements: political and macroeconomic factors, demographics, technological advancements, and the demand for further work-life balance. These elements try to answer the “why” question behind any implementation initiative. The second level includes the variables that form any FWA in the work environment. The existence and the magnitude of these variables to management could tailor the right type of FWA for each occasion. These variables will also determine the probabilities that any FWA would be understood, accepted, implemented and eventually succeed or fail. These aspects are: personal attributes and beliefs, autonomy, organizational culture, technology availability and costs, workplace, job specifications and other miscellaneous factors.
The third level includes two significant mediators that affect these variables and can significantly determine the success of any initiative: trust and support. Both intertwine with the variables and behave as filters that significantly determine whether the arrangement will be successful. The final outcome of the framework depends on the choices made by the top management with respect to these variables and mediators. The qualitative cost benefit analysis presents the most common outcomes in implementing any FWA, found in the literature, from the employee’s and the employer’s perspective. The most common benefits include: improved performance, cost savings, reduced turnover and absenteeism, increased organizational readiness, more successful recruiting, improved work-life balance and positive externalities. Conversely, the most common costs discussed in the literature are: home stressors, relational impoverishment, extended work-devotion and commitment, behavioral biases, technology dependence, the “bowling-alone” effect, and overcoming the strong inherent resistance to change. The integrations between the framework’s three layers would determine the final (positive/negative) outcome of the selected work arrangement.

A. FIRST LAYER (REASONING)

According to the literature, the following factors have exerted influence in transforming the way organizational management and public opinion view the FWAs and their implications: macroeconomic factors, demographics, technological advancements, the demand for better work-life balance, and political factors.

The economic and financial environment changes constantly, and multiple macroeconomic factors are the basic pillars for this transformation. Corporations are struggling due to increased competition and global market volatility, and they seek ways to increase their efficiency. At the same time, the economic recession’s impacts and the changing needs of the workforce have forced managers to seek new ways to reduce turnover, burnout, and to increase employee performance and organizational efficiency (Michie & Sheehan-Quinn, 2001). Deflation and the low interest rates have exerted more pressure on management to become more agile in effectively allocating the organization’s most precious resource: human capital.
Demographics have also significantly changed. Globalization and the increasing number of highly educated people have impacted the structure of the labor force. The economy has shifted from agricultural to services and knowledge work; thus, nowadays, most of the economy’s monetized outcomes are intellectual. Women also have become a vital part of the global economy. At the same time, families’ weekly time habits have changed structurally in just 50 years. Paid work became the most time-consuming activity for both genders, while time spent in caregiving obligations also increased as shown in Figure 4. These new habits of time use have forced “both mothers and fathers in dual-earning couples [to] increasingly report work-family conflict,” according to the latest federal report (The Council of Economic Advisers, 2014, p. 6).

![Parents’ Average Weekly Time Use](image)

**Figure 4.** Parents’ Average Weekly Time Use. Source: The Council of Economic Advisers (2014).

In addition, people with unpaid eldercare responsibilities, dual earner couples, and sole parents are now a significant part of the total labor force. Interestingly, though, the literature review did not reveal any significant gender differences in requesting and
accepting rates of FWA demands (Baltes et al., 1999). Moreover, age also plays a significant role since younger job seekers are more familiar with new technology tools and are more willing to accept a remote workplace initiative (Huws, Korte, & Robinson, 1990).

Another significant factor is the technological advancements themselves. High-speed communication channels and increased data transferring capabilities have brought people closer. Remote working is now both feasible and secure using specialized technologies such as VPN networks, teleconferences, and electronic signatures, providing a new meaning to work portability. Tasks do not need to be asynchronous or “round-based”; due to the broadband Internet, synchronous or real-time tasks can be distributed, accomplished, and evaluated regardless of the geographical location of the employee.

Moreover, employees demand more work-life balance nowadays and work in less stressful environments to manage their life’s elements more effectively. There has been increased pressure on management to physically separate the time spent on a task and the task itself, as long as the job is effectively and efficiently done. The goal is to accommodate new public policies that are in accordance with increasing family needs (Gajendran & Harrison, 2007). For example 86 percent of UK employers experience demand for FWA of some kind from their employees (Guardian Professional, 2014). Employees who remain wedded to the old concept of an office-based working environment are often considered old-fashioned and monolithic, and may suffer from low demand from prospective employers.

Finally, political factors used legislative tools to introduce FWAs into the workplace (Þorgeirsdóttir, 2012). In addition, an increasing number of governments implement neoliberal economic policies that form the basis of flexible workplaces. Jamie (1996) described some typical examples of these policies, such as: labor market deregulation, the decentralization of industrial relations negotiations and the weakening of trade unions. The political environment seems to be more open than ever to any work arrangement that would satisfy its constituents.
B. SECOND LAYER (FRAMEWORK’S VARIABLES)

The current section includes the framework’s second layer and all these elements that determine the work arrangement’s baseline. These elements represent guidelines that management and employees need to be aware of and understand. Most of these factors are employer-centric while personal attributes and perceived autonomy are mostly associated with employees’ perspective. If any of these components are absent, it is likely that a FWA could still be implemented but that issues might surface. Furthermore, the absence of factors such as portable technology or necessary labor legislation does not mean that FWAs are inapplicable. It simply excludes some types or arrangements for the sake of other less radical ones, such as flextime and compressed workweeks. None of the following factors is more significant than the other and all of them intertwine with each other into forming the underpinning of the FWA framework: personal beliefs, autonomy, organizational culture, technology and costs, workplace characteristics, job specifications, and other miscellaneous factors. The magnitude and existence of these elements, combined with two mediating factors - trust and organizational support-determine how favorable, realistic, and applicable a non-standard work arrangement is.

1. Personal Attributes and Beliefs

Individuals believe that their visibility and one-on-one interaction with their managers is a crucial factor for their corporate advancement and may negatively impact other work outcomes. The reasoning is that managers can acknowledge employee contribution and tasks, and give feedback faster (Huinink, 2012; Huws et al., 1990). Dikkersi et al. (2007) acknowledged that employee perception regarding the requirements for career advancement has played a significant role. Beliefs such as the time required staying at work and the impact of FWAs in advancement prospects might hinder employees from pursuing any non-standard work arrangement. Other times, self-constraint beliefs have forced employees to feel that they are not eligible or that they will underperform if they work away from their offices (Mokhtarian & Salomon, 1996; Mokhtarian & Salomon, 1997). Personal beliefs also include subjective perception of multiple variables such as procrastination, household distractions, workaholism, and
likeability of teamwork (Baltes et al., 1999). Therefore, senior leadership should acknowledge any prejudices and biases from the employee perspective. There is no way to accept and implement a program, if it was established by top management, without really understanding its implications and underpinnings. A consistent and effective communication link between organizational layers could help everyone understand the driving forces and the reasoning behind any initiative.

2. **Autonomy**

Altman and Golden (2007, p. 316) pointed out that from the employer’s standpoint, autonomy could be described as a “high performance organizational tool that may promote additional work effort or intensity per hour.” According to deCharms (1968), employees will enjoy contributing to the organizational output, if their efforts are “stemming from [their] own choice” (deCharms, 1968, p. 273). In general, there is a positive correlation between the level of autonomy, and employee work satisfaction and productivity, due to the increased time and location flexibility option (Loher, Noe, Moeller, & Fitzgerald, 1985; Shamir & Salomon, 1985). Other scholars demonstrated how autonomy contributes to employee psychological health and retention (Jacob, Bond, Galinsky, & Hill, 2008). Conversely, another study demonstrated that top-down guidelines and tasks that the individual needs to perform as part of the FWA could restrict individual autonomy (Harrison, Johns, & Martocchio, 2000). Another cause of restricted autonomy is the fact that organizations often have used specific software to monitor flexible workers’ activities, as part of their control procedures. To avoid any misunderstanding and conflict, Handy (1995) suggested that negotiated written agreements and procedures could mitigate any risks from FWA arrangements. Gajedran and Harrison (2007) also agreed that written and commonly agreed upon guidelines, and a goal setting policy could help employees perform tasks effectively, without excessive intervention from their supervisors.

3. **Organizational Culture**

There is a generic dismissal for workplace flexibility due to lack of interest from senior leadership, management resistance, and institutional inertia (The Council of
Moreover, Stavrou’s studies (2005, 2010) reported that there is an inherent lack of interest in radical workplace flexibility, with the alibi of increased complexity of coordinating and controlling employees with different types of work arrangements among different locations. Other institutions expressed discomfort paying employees who work out of sight (Huws et al., 1990). Thus, one of the greatest contradictions in the working environment is the fact that management often simultaneously encourages employees to pursue flexibility in their schedules and considers longer work stays desirable. Den Dulk and Peper (2007) demonstrated that actual organizational support could determine whether a work environment could be more open to implementing an FWA. They also reported that low support signals that management considers workplace flexibility as a barrier to organizational effectiveness, with collateral implications for the employees who decide to pursue them (den Dulk and Pepper, 2007). Mokhtarian & Salomon (1996, 1997) also acknowledged that management willingness to accept any kind of flexibility, and the magnitude of interactions that are considered necessary in the workplace, determine success rates for any telecommuting initiative.

In conclusion, the “attendance culture” which equals employee visibility to managers with productivity and which has dominated institutions for many years, is no longer considered a necessity in the workplace environment. Wider implementation of FWAs is feasible when an organizational culture that facilitates employee participation and interaction is present (S. J. Harrington & Ruppel, 1999). But the process needs time, consistency and decisiveness to overcome “organizational inertia.”

4. Technology Availability and Costs of Implementation

The quality and availability of the technology infrastructure is also a significant aspect, especially in work environments where speed and security are vital. Different studies demonstrated that the administrative cost of technology is the most significant factor that discourages management to pursue any FWA (The Council of Economic Advisers, 2014). Nevertheless, the costs from bringing an institution from no infrastructure to the basic telecommuting-working environment have varied from no cost
up to $3,821 per user, while organizational “learning curves” can reduce the cost proportionally for higher levels of participation (Joice, 2007). But any inconsistencies with the working equipment could frustrate flexible workers and incur more costs than the actual benefits of the initiative (Huinink, 2012).

Each type of FWA has different IT implementation costs. Teleworking relies on the technology availability and costs, while flextime and compressed weeks do not need additional infrastructure and any additional costs are mostly fixed and overhead. Hence, the infrastructure costs depend on top management’s willingness and the available funding for each arrangement. In case of teleworking arrangements, management should prepare a comprehensive enterprise planning and architecture that will help flexible workers perform their duties, without any concerns regarding data confidentiality, integrity and availability or regarding any personal expenses. This planning also needs to be part of any future budget process and programming and take into consideration any needs for additional resources regarding broadband networks and the necessary computer equipment (GSA, 2006).

5. Workplace Characteristics

Organizational size and sector are also significant factors. A large, service-providing institution is generally more likely to provide a FWA compared to a smaller educational or manufacturing firm (E. Stavrou & Kilaniotis, 2010; The Council of Economic Advisers, 2014). Other studies suggested that even within the same institution, managerial and creative jobs are considered more eligible to be performed under flexible arrangements, compared to more “clerical positions” (Bailey & Kurland, 2002; Huws et al., 1990). In addition, labor legislation could also determine whether the telecommuting would be legally enforced or depend on market forces and industry autonomy (E. Stavrou & Kilaniotis, 2010; Tregaskis & Brewster, 2006). The complexity of health regulations has been considered a critical factor since the employer has been responsible for the health and safety of flexible workers in their workplaces, regardless of their physical location. Therefore, an uncontrolled factor, such as an employee’s home, is unfavorable
from an employer’s perspective. Many institutions have tackled this issue by providing alternative, informal, and voluntary work arrangements (Gajendran & Harrison, 2007).

In conclusion, factors that are outside management’s reach such as work legislation and safety and health regulations can determine the eligibility for each FWA. The remaining workplace variables are more subjective and reflect an overall consensus and agreement among organizations with the same characteristics rather than serious hurdles. Thus, the workplace characteristics factor can be adjusted to facilitate the implementation of any FWA, if the external environment is “open” to non-standard work schedules.

6. **Job Specifications**

One issue is how well employees will perform their tasks. The intellectual outcome is not easily quantified, measured, and evaluated. The “projectisation” of tasks might be a necessary step towards specific work arrangements such as remote working. Another major concern has been evaluation methodology. Managers would measure and evaluate their employees pursuant to any deliverable with respect to their job description (Gajendran & Harrison, 2007). The old-fashioned way of evaluating according to attendance and observed actions, such as by management walking in paternalistic style, and the Theory X authoritative style does not dovetail with most FWAs. Instead, senior leadership should consider new methods, such as management by objective (MBO) and self-managed work teams to facilitate the transformation from behavior-based controls to more output-based performance (Robbins & Judge, 2003; Konradt et al., 2003). Bailey and Kurland (2002, p. 386) asserted that the “control of workplace and little need for face-to-face interaction” are two necessary criteria for any FWA.

Conversely, other scholars pointed out that telecommuting eligibility has more to do with job status and prestige and less with the actual criteria and job specifications. A typical distinction is between the managerial and clerical positions existing in the same institution. In addition, teleworking has been offered to managers to increase efficiency and retention, whereas potential cost reductions has been the main motive for flexibility to clerical workers (Huws et al., 1990; Tomaskovic-Devey & Risman, 1993).
classic studies proposed that clerical workers might be unwilling to accept any FWA due to the characteristics of their jobs. The reason is that social interactions are the most interesting part of routine jobs that do not normally provide any satisfaction. Hence, clerical workers might be unwilling to reduce their physical attendance in their workplaces (Herzberg, Mausner, Peterson, & Capwell, 1957; Salomon & Salomon, 1984).

Finally, compensation itself also plays a role with respect to the acceptance of the FWAs. According to Li (2012), and the compensating wage differentials theory, a FWA is considered a normal good. As such, only high-earning employees can have trade-offs between their salaries and working part-time or non-standard. There appears to be a strong correlation between the wage and utilization rate of any FWA. For a low wage worker, flexibility looks like an option that employers cannot “afford” due to its monetized impact. This might be the reasoning behind the tendency for telework or flextime to look more attractive for managerial positions than for clerical workers (Li, 2012).

In conclusion, goal-oriented management styles such as MBO could facilitate the implementation of any FWA. Furthermore, any subjective discrimination in an arrangement’s availability can also harm the purpose of the initiative. Employers need to understand that FWAs should be an option for everyone regardless of their position or status. Biases must be acknowledged early in the process and tackled before providing any arrangement. Conversely, employees also need to comprehend the significance and the benefits of a FWA and pursue the initiative, without being afraid that their choice will impact their career advancement or management’s view of them.

7. Other Miscellaneous Factors

The last variable includes generic factors that influence the FWA models. One factor has been the diminishing positive gains for any type of FWA through time. Previous studies suggested that an employee who works under any alternative work arrangement eventually becomes accustomed to the new work schedule (Baltes et al., 1999). Following psychological traits and tendencies such as the “hedonistic mill,” the
employee will gradually desire even more flexible time which gradually leads to less positive impacts from the implementation of the FWA (Baltes et al., 1999). Therefore, any arrangement should have a reasonable and achievable deadline and not a quite long-run implementation stage, since the long-term perspective might diminish any imminent positive gains (Konradt, Hertel, & Schmook, 2003).

Management also needs to take into account the different motivations behind the employee requests for FWA. Konradt et al. (2003) found that low-intensity telecommuters (working remotely less than 3 days per workweek) sought fewer interruptions in their workplace. Conversely, the reasoning for the high-intensity telecommuters was to have a more balanced work-life. Hence, management should seek and identify employee needs and work environment characteristics to implement the right FWA for each occasion.

Researchers also found that the duration of employment in an organization has played a significant role in the acceptance rate of a FWA. Den Dulk and Peper (2007) suggested that the longer an employee, with the exception of top managers, is part of an institution, the more susceptible to a non-standard work arrangement he or she is. This “sense of entitlement” is dominant in managerial positions, since it is often related to career advancement (Den Dulk & Peper, 2007). Thus, tailored arrangements need to be simultaneously present in an organization to fulfill the different incentives and needs of its members.

C. MEDIATORS

The mediators include two critical components that intertwine with the variables mentioned above: trust and support. They underpin any work arrangement and affect the relationships among all participants of a FWA: the organization, the supervisors, and the colleagues.

1. Trust

Managers commonly feel uncomfortable when they cannot supervise their employees and their progress. The trust between these two sides could determine FWA’s
implementation rate and success (S. J. Harrington & Ruppel, 1999). Trust enhances the perceived autonomy and creates a culture of mutual understanding, allowing individuals to control their working time. Furthermore, a trustworthy or likeable employee, especially in managerial and supervisor positions, has significantly more chances to use a FWA compared to a mean colleague or a clerical worker (Tomaskovic-Devey & Risman, 1993; Whitener, Brodt, Korsgaard, & Werner, 1998; Gajedran et al., 2007. Moreover, a high level of mutual trust can obviate suspicions and doubts regarding job requirements and performance (Huinink, 2012). Nilles’ (1994) research also revealed that flexibility in workplaces is considered as bonus or reward for employees who are deemed “trustworthy” to perform on relatively unstructured problems. Conversely, a flexible worker has fewer chances to interact and show her progress to managers and colleagues, and fewer chances to build a strong and extended social (work) network within the work environment.

In conclusion, trust is a crucial factor regardless of the FWA. But it is not an on-off factor and it needs time and mutual understanding to become an organizational core element. The trust between managers and employees will accelerate the adaptation of the management style to the new telecommuting implementation and increase the possibilities of successful outcomes (Huinink, 2012; S. J. Harrington & Ruppel, 1999).

2. Support

Dikkersi et al. (2007) acknowledged that a three-dimensional support is among the most important factors that determine whether a FWA can be successful: the organizational, the supervisors’, and the colleagues’ support. Other studies reinforced the significance of supervisors’ and coworkers’ support to lower absenteeism and higher work engagement and satisfaction (Jacob et al., 2008). This three-dimensional support has been shown to be more convincing than the characteristics of the FWA itself (Þorgeirsdóttir, 2012). The reason is that it reflects the organizational and management values and attitude. If employees feel that any alternate work arrangement lacks genuine and significant support, they are very reluctant to pursue it, regardless of its availability or attractiveness (Allen, 2001; Þorgeirsdóttir, 2012).
The organizational support must be present on the structural part of the arrangement as well. The right job description and work policies at the top level are, for example, the basic foundation for implementing any FWA. The cultural level support from managers and colleagues provide the ripple effect that help employees to overcome doubts and concerns (Kossek et al., 2010; Þorgeirsdóttir, 2012). A supportive work environment enhances the reciprocity between the managers and the employees, because it signals mutual understanding and trust. Thus, a supporting manager or colleague can sometimes be more convincing than the writing agreement itself due to the instant informal relationships than often dominate the work environment. Finally, the three-dimensional support needs to be coherent and aligned to become effective and acceptable. If all three forms of support were not simultaneously present, any initiative would look more like a bureaucratic necessity and an unimportant goal, instead of an integrated and efficient new process.

Den Dulk and Pepper’s studies (2007) also suggest that a supportive management can significantly influence productivity rates such as commitment, job satisfaction and retention. Actually, the support factor is imperative in influencing overall employee behavior and performance, which it may even make the existence of any FWA irrelevant (Den Dulk & Peper, 2007; Þorgeirsdóttir, 2012). Therefore, we have a two-way interaction between support and the FWA, which can enhance and supplement their relationship with positive outcomes in organizational effectiveness and individual work-life balance.

No arrangement can be successful without genuine support from managers, the colleagues and the organization as a whole. Even if a FWA lacks major key concepts, institutional support can contribute to the success of the arrangement. The support is easier to accomplish than organizational trust. Often trust needs a decisive leader or a strong supportive team. The success story of DISA, as described in the previous chapter’s case study, demonstrates the significance of a consistently supportive environment for a successful FWA implementation.
D. QUALITATIVE COST AND BENEFIT ANALYSIS OF FLEXIBLE WORK ARRANGEMENTS.

1. Benefits and Advantages

Since Nilles’ attempt (1975) to construct a framework to conceptualize non-standard work arrangements, FWAs have led to considerable debate regarding the actual benefits from implementing these initiatives. Different studies revealed that flexible arrangements benefit both employers and employees. These common advantages vary from health benefits to organizational efficiency, and even a single announcement of a FWA could positively impact an organization’s stock price (Arthur, 2003). According to the literature, the most prevalent benefits are: improved performance, cost savings, lower turnover and absenteeism, increased organizational readiness, increased recruiting rates, improved work-life balance, and positive externalities.

A lot of studies have indicated that workplace flexibility improves performance and increases output. Research indicates that people who work part-time or flexibly produce the same (if not more) output per day than those who work under a standard employment model (Bloom et al., 2009). Many studies demonstrate the positive relationship between workplace flexibility and organizational effectiveness, for reasons such as fewer distractions and increased time available for family obligations (Allen et al., 2015; Jacob et al., 2008; Baltes et al.1999). Kelliher and Anderson (2010) showed that workplace flexibility increased organizational productivity through an extent intensification of work, while job satisfaction remained high or even increased. The main reasons were the feeling of reciprocation to the employer and working under much fewer distractions (Kelliher, C., & Anderson, D., 2010). Finally, clinical research from Oxford University claims that the fixed 9–5 work schedule might not be the most healthy and productive choice. The reason is that workers have different natural biological and circadian rhythms with respect to their age; thus, individually synchronized working hours could increase individual performance, mood, and health (Bell, 2015).

Furthermore, FWA allows significant cost savings on cost drivers such as utilities, overhead, hiring expenses, IT costs, etc. Bloom et al.’s (2014) extensive research in a travel agency in China provided such impressive cost saving results, it persuaded the
firm’s senior management to aggressively convince more employees to work from home. Other studies claimed that workplace flexibility saves significant costs by eliminating the demand for working infrastructure, increasing commitment, performance and decreasing turnover (Kossek et al., 2010; Guardian Professional, 2014). Fewer FWAs means more traffic congestion and longer telecommuting times. In fact, researchers estimated that the number of employee miles traveled is expected to increase significantly in the next decade (Washington Metropolitan Telework Centers, 2006). In addition, telecommuting significantly reduces hiring and training costs. One study found that the total replacement costs for U.S. firms might vary from 30 percent for low paid jobs up to 200 percent of the annual salary for top managerial positions (Boushey & Glynn, 2012). Another survey has estimated the total savings costs to $13,000 per employee, including real estate, car insurance and energy costs (Lister & Harnish, 2011). Finally, the Executive Office of the President of the United States estimated that the total savings from implementing any form of FWA in the U.S. economy is on average $15 billion per year (The Council of Economic Advisers, 2014).

Moreover, FWAs decrease turnover and absenteeism and increase retention rates, causing higher return on investment (Gajendran & Harrison, 2007; The Council of Economic Advisers, 2014). If an organization adopts FWA that helps employees balance their work-life commitments, there is a high probability that turnover might decrease since both sides would like to maintain their professional relationship (E. Stavrou & Kilaniotis, 2010). Stavrou’s studies (2005, 2010) demonstrated negative correlation between the availability of flexible workplace arrangements and turnover in the private sector, but that higher turnover is very likely in institutions located in countries where unions are weak and decisionmaking is an exclusive and “non-collaborative” privilege for the employers. For example, in the UK, 71 percent of employers believe that FWAs help them retain key personnel (Guardian Professional, 2014). Researchers found that telecommuting can reduce turnover costs that can be estimated as much as $75,000 per employee in the Western world (E. T. Stavrou, 2005). A number of meta-analyses of studies also found how workplace flexibility significantly increases organizational
commitment and effectiveness, while decreasing absenteeism (Balter et al., 1999; Jacob et al., 2008).

FWAs can also increase the chances of emergency responsiveness and operational readiness (Lister & Harnish, 2011). Telecommuting can provide a safe zone for operational continuity and day-to-day work in critical incidents and “black swan” events, such as natural disasters, major health contamination, terrorism targets of opportunity, and human-made work disruptions (Kossek et al., 2010). In these cases, the communication links and the knowledge of working in remote environments may be the crucial factors for overcoming these incidents. Thus, according to Instruction 1035.01, all Department of Defense (DOD) employees “shall be trained on accessing the unclassified DOD information technology network remotely” (Department of Defense, 2012, p. 20). Some work arrangements even encourage the longer physical presence of federal employees in their working environment, extending the working hours of an agency for the convenience of the end user or for increasing organizational output. During these calamities there is still a reliance on technology, but the familiarity with the procedures and the virtual working environment could maintain the overall outcome at the same level as before, until the environment returns to its initial status.

Furthermore, alternative work arrangements could become a strong non-monetary inducement for recruiting purposes, especially for the military. These arrangements can attract individuals who are willing to be recruited but are reluctant, due to the frequent transfers and rigid time schedule. FWAs and their family-supportive policies incentivize workers to pursue jobs that might be unpopular, while increasing work satisfaction (Jacob et al., 2008). The DOD was praised by the latest telework report to Congress as a pioneer in using new automated systems for recruiting new personnel and retaining talent by effectively using flexible work arrangements, such as telecommuting (OPM, 2014). Other scholars also demonstrated the strong positive correlation between the utilization of FWA and the recruitment of the best possible workforce to cover position vacancies and military needs (Kettler, Moran, & Stoddard, 2011; Morrow, 2001).

FWAs also have a positive impact on work-life balance. Employers can better balance their responsibilities and time allocation between their job, and other non-work
and family obligations such as childcare and eldercare (Ezra & Deckman, 1996; E. Stavrou & Kilaniotis, 2010). For example, almost 50 percent of American working family members reject offers for jobs that would create conflicts with their family responsibilities, while more than 90 percent of U.S.-located high-skilled fathers describe the existence of flexibility in their job as an “important job characteristic” (B. Harrington, Van Deusen, Fraone, & Eddy, 2014). Better work-life balance also improves employee physical and mental health (The Council of Economic Advisers, 2014; Jacob et al., 2008). Eventually, these family-friendly initiatives would increase employee commitment and have an impact on other factors such as turnover rates and recruitment costs.

In addition, FWAs also create positive externalities and social benefits. It increases the labor pool by providing job opportunities to excluded social groups or individuals who cannot follow a traditional full-time employment model, such as rural families and military spouses (The Council of Economic Advisers, 2014). Huws et al. (1990) pointed out that teleworking from home or satellite offices are the only effective way for using disabled job seekers. Other positive repercussions include more employed parents, happier kids and greater tax revenue. Finally, wider telecommuting adoption leads to less commuting time and eventually less environmental impact, gas emission, and carbon footprint (The Council of Economic Advisers, 2014).

Finally, we need to consider that it is quite difficult to accurately measure the effectiveness and benefits of any FWA. Institutions with more flexible workplaces might attract more creative and talented jobseekers. This new workforce might implement even wider alternative work arrangements and more efficient methods in high creative sectors like marketing and management. Thus, it is difficult to distinguish between the causation and correlation between these factors. The reason is that the ripple effect, and any measured increase in organizational efficiency and effectiveness, might be recorded higher than the actual implementation’s effect of the initial arrangement (Þorgeirsdóttir, 2012).
2. Costs and Challenges

Many researchers question the validity of the data and the way the benefits are being presented. Scholars have cast questions regarding the quality of the research methodology, the lack of actual “hard data,” and the inconsistencies of the assumptions, due to increased pressure to achieve favorable reports (Duxbury & Neufeld, 1999; Igbaria & Tan, 1998). For example Belanger (1999) supported the notion that plenty of self-assessment evaluation reports were “not statistically significant” enough to justify the shift to more flexible workplaces. In addition, Gajedran and Harrison (2007) pointed out the contradicting assumptions and the causational misinterpretations from dispersed literature and multiple disciplines. The different implementation rates among sectors indicate that an arrangement might not be as feasible or as beneficial as labor economists and psychologists suggest. Nevertheless, scholars agreed that FWAs might incur costs that undermine the objective for higher organizational productivity and better work-life balance. The most common costs incurred in a FWA are the following: home stressors, relational impoverishment, extended unfavorable work-devotion schema, behavioral biases, technology dependence, the “bowling-alone” effect, and overcoming the inherent resistance to change.

Flexible workplaces can increase family stress, work-family conflicts, and be counterproductive. The main reason is the blurring of boundaries between the workplace and family space (Gajendran & Harrison, 2007). There is the danger that home becomes an extension of the office, since the employee is continually connected with the virtual workspace. The implications of the blurred boundaries are that any FWA transfers work emotions such as stress and anxiety into the home environment (Olson-Buchanan & Boswell, 2006). Thus, people become more stressed, isolated and face significant difficulties managing their lives (Baruch & Nicholson, 1997).

Moreover, FWAs may damage teamwork’s benefits and the physical tendency of people to socialize and interact. Gajedran and Harrison (2007) acknowledged this phenomenon, describing it as “relational impoverishment.” The impoverishment also distorts human interactions and their quality while they may also have negative repercussions on flexible workers’ mental and physical health (Daft & Lengel, 1986).
Flexibility could have negative effect on teamwork dynamics, work relations with colleagues and managers, and the transfer of knowledge and skills. Cooper and Kurland (2002) found that flexible workers often have feeling of isolation that negatively impact their job performance and satisfaction. Nevertheless, severe isolation may be mostly found in full-time flexible workers (Kugelmass, 1995).

In addition, alternative work arrangements might also increase the total working hours by contributing to the “work devotion schema.” Noonan and Glass (2012) claimed that almost one third of the home-telecommuters actually added up to seven hours to their workweek compared with office employees. Furthermore, employees had the tendency to work overtime remotely from home, regardless of the fact that they had already spent 40 hours at the office. It appears that continuous connectivity, through sophisticated portable devices with the virtual desk, unconsciously creates a demand for additional working hours. Thus, it is often considered as “business as usual” that a telecommuter should respond to work-related emails and access electronic files regardless of the time or the physical location (Madden & Jones, 2008).

Managers and supervisors are also prone to behavioral biases and quick judgments. Organizational inertia and entrenched core values and beliefs often undermine any alternative work schedule. For example, the attendance bias has become part of the military organizational DNA and anything else may interfere with promotion prospects or applications for representational positions. Studies conducted in the Australian Defense Forces revealed that higher-rank officers do not favor telework initiatives, due to the belief that reduced visibility could affect career progression (Cathcart et al., 2014). Senior management might also be unwilling or incapable to fully understand the benefits if they cannot be monetized or directly influence employee productivity (Þorgeirsdóttir, 2012). Moreover, managers have inherent doubts and concerns for flexible workers who perform their tasks remotely and not in the same period as themselves (Huws et al., 1990). Another common managerial impulse is the “morning bias,” which labels employees with late start times as less hardworking and self-disciplined than employees who arrive early, due to the unconscious link between “morningness” and conscientiousness (Yam et al., 2014).
Furthermore, FWAs are highly dependent on technology availability and data security. The option of remotely accessing any information increases the risk of data interception, reinforced by the lack of direct supervision. Data security concerns, the high cost and the complexity of the necessary infrastructure are the major reasons that discourage employees from believing in FWA. Thus, companies often consider technology as the most significant burden for implementing FWAs (Altman & Golden, 2007). For example, more than 30 percent of U.S. firms reject any telecommuting initiative due to its high cost (The Council of Economic Advisers, 2014).

Another cost of FWAs is the fact that it may restrict, by its structure, the initial incentive for pursuing them. According to Young and Lim (2014), flexible workers are often indirectly dependent on their social network’s work schedules. Despite her flexible work schedule, a flexible worker needs to adjust her program to her peers’ and family’s, who rarely have the same schedule. Therefore, she is eventually indirectly “stuck” at work. The outcome of the different work schedule would be the tendency for the employee to participate less in any form of civic engagement and socializing, a phenomenon known as the “bowling alone” problem (Young & Lim, 2014).

Finally, even if the benefits have overwhelmed the costs, the greatest challenge is how to overcome the inherent resistance to change from a well-established military organizational culture. The military is accustomed to forced top-down changes that last as long as the tenure of their maker. Any initiative that is implemented “due to societal pressure and for symbolic reasons without producing any necessary structural, behavioral or cultural changes within the organization” is expected to fail (Þorgeirsdóttir, 2012, p. 21). Former Secretary of Defense Robert Gates clearly stated that overcoming the military’s entrenched beliefs was his greatest challenge during his tenure (Gates, 2014). Direct supervision of defense members is so widely accepted that it became a necessary part of the organizational culture. Any deviations from this default process are encountered with suspicion regarding organizational readiness, capabilities, and human resource planning. Even defense members often resist any radical changes due to the likelihood of negative career prospects. People often feel that visibility in the workplace,
especially by their managers, is a significant factor for further promotions into an organization (Huinink, 2012).

In conclusion, there is a “telecommuting paradox” of conflicting powers to flexible workers (Gajendran & Harrison, 2007). On one side, different researchers suggested that FWAs increase organizational performance, effectiveness, and readiness while reducing costs and turnover rates. Further, it helps employees achieve better work-life balance. On the other hand, the same factors increase family conflicts and employee anxiety, while the implementation itself faces significant cost-driven and supervising problems. It seems that workplace flexibility and satisfaction follow a curvilinear inverted U-shaped relation: too much or too little flexibility fails to create a positive effect on employees and employers (Virick, M., DaSilva, N., & Arrington, K., 2010).

E. CHAPTER SUMMARY

The purpose of this chapter was to construct a theoretical three-level conceptual framework that describes the dynamics and the interconnections of the work environment factors. This framework is the first step that could facilitate the implementation of FWAs in environments with nominal experience with these arrangements. The existence and magnitude of each framework’s factor would determine the feasibility and success rate of each initiative. The qualitative cost benefit analysis demonstrated the variety of the advantages and the challenges that are associated with each arrangement. Regardless of the complexity and the necessary resources, alternative work arrangements can increase organizational efficiency, while tackling employee work-life balance issues.
IV. THE FLEXIBLE WORK ARRANGEMENT FIVE-STEP IMPLEMENTATION PROCESS

Once senior leadership understands the dynamics and significance of workplace flexibility, the second dimension of the model includes a five-phase implementation process (see Figure 5). During the selection phase, management determines the most eligible work arrangement and assesses any risks associated with its decision. The second phase is the preparation phase, which handles issues such as eligibility, training, and administrative tasks. During the trial phase, the program is launched for a relatively short period, while its impact on organizational productivity and defense member efficiency is continuously monitored and tested. The evaluation period includes a shorter period that allows management to compare the FWA’s outcomes with predetermined goals and objectives and to decide whether the arrangement was successful. If the outcome was successful, the agency can gradually move to an extended implementation plan for the rest of its departments or divisions.

Figure 5. The Five-Phase Implementation Process.
A. **SELECTION PHASE**

The first phase of the FWA implementation plan is to determine which arrangement is most applicable for the specific military agency. Management should assess the difficulties and benefits of the initiative before designing or selecting an appropriate work arrangement. Thus, the selection phase can be divided into three intertwined parts: analyze the control environment, proceed to risk assessment, and select the appropriate arrangement.

The control environment includes an analysis of the conceptual framework’s first-level elements: personal attributes and beliefs, autonomy, organizational culture, available technology and costs, workplace, job specifications, and other miscellaneous factors. Each element should be elaborated on and assessed with respect to its feasibility and factors. For example, if the institution lacks adequate technical equipment and has budget limitations, then any teleworking initiative might not be feasible. Furthermore, if health and safety regulations and legislation are not well established with respect to the compressed work schedule or telework arrangements, then a constraint flextime arrangement might be the only feasible option. When trying to implement radical changes, such as FWAs, in an organization with no experience in these arrangements, any new policy might take more time and effort than anticipated. Also, the different characteristics and requirements of the alternate work arrangements and the flexibility option itself might be confusing. Hence, the senior leadership needs to articulate the differences between the concepts and clarify any misunderstandings. If any FWA feasibility assessment review is not encouraging, or management’s willingness to participate in the workplace flexibility process and implement any alternative work arrangement is low, then the process cannot advance without solving these core issues first.

The second element of the preparation phase is to conduct a risk assessment. The basic foundation of the process, as described in this section, is an adjusted version of the Integrated Framework for Internal Control, as it has been developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013). The risk
assessment process includes the following basic steps: FWA objectives clarification, risk identification, and change assessment.

The first step of the risk assessment is to specify the overall objectives for implementing a FWA. The clearer the objectives, the easier is the procedure of identifying and assessing any risks relating to these objectives. Typical focal points for this step could include the following: increasing organizational productivity; improving defense member’s work-life balance; utilizing the existing, or procuring new, technology; establishing operational continuity; and having a consistent and supportive leadership.

Once the objectives are clarified, the second step is to identify and analyze any risks related to these objectives, while proposing strategies to mitigate them accordingly. For the purposes of the following analysis, a modified version of Overmeyer’s (2011) risk assessment matrix was used. The objectives of the following matrix are to map any managerial or employee concerns, and associate these concerns with mitigation strategies that could facilitate the FWA implementation process. The existence of risks can determine the availability or continuity of specific work arrangements. If the outcomes from the pilot programs or the actual arrangements are not as expected, then the termination of the initiative could be an option. For instance, impairing operational readiness and effectiveness, issuing safety concerns, and incurring additional costs are some examples that prevent FWAs from further implementation. The bottom line is that management could use methods and strategies that mitigate risks and help the organizations to surmount difficulties and concerns before and during the implementation of a FWA. Therefore, Table 1 analyzes the risk categories and mitigation procedures associated with each risk.
Table 1. Risk Assessment Table.

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Specific Risks</th>
<th>Mitigation Procedures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Risks</td>
<td>Sufficient Technology to support telework arrangements or after hours schedules</td>
<td>Benefits evaluation using tools such as Net Present Value (NPV)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strategic Technology and Telework Planning for hardware/software procurement</td>
</tr>
<tr>
<td></td>
<td>Technology failures/operational issues</td>
<td>Implement Technology support/help desk processes and contingency plans.</td>
</tr>
<tr>
<td>Operational Risks</td>
<td>Defense Member underperformance</td>
<td>Clear goals, objective performance metrics, clear agreements and expectations, training sessions (1-on-1, case studies, feedbacks)</td>
</tr>
<tr>
<td></td>
<td>Tasks cannot be adapted to the flexibility environment</td>
<td>Reorganize job descriptions or utilize “softer” FWAs</td>
</tr>
<tr>
<td>Personal Risks</td>
<td>Poor work-life balance, home stressors, “bowling-alone” effect</td>
<td>Seminars and training with respect to FWA psychological impact, schedule adjustments, programming issues etc.</td>
</tr>
<tr>
<td>Organizational Risks</td>
<td>Management resistance</td>
<td>Trial programs, training, analyzing scientific results and past success stories.</td>
</tr>
<tr>
<td></td>
<td>Relational impoverishment</td>
<td>Longer flextime “core hours,” teleconferencing, and on-site meetings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disassociate visibility with promotions.</td>
</tr>
<tr>
<td></td>
<td>Evaluation methods</td>
<td>Alternative performance monitoring and measurement, Management By Objective style, appropriate teleworker selection.</td>
</tr>
</tbody>
</table>

The final step of the risk assessment is to identify and elaborate on any changes that could take place out of the FWA framework’s elements and interactions. For example a new commanding officer (CO) can discard or modify any work arrangement according to his preferences or conceptions, as the Yahoo! and Best Buy case studies have shown. Moreover, a failure on the implementation of the FWA at a different agency can enhance any negative opinion and perception towards the initiative, which may affect the balance in the institution. For example, if the agency had faced regular radical changes in its organizational culture in the past, or inconsistent management styles, these
incidents are aspects that need to be taken into consideration before electing to pursue any FWA.

Once the control environment is analyzed and a risk assessment is conducted, the final step is for management to decide whether to proceed to a FWA. A weighted average matrix can also be used to determine which work arrangement fits into the agency’s culture, norms, and personnel needs. The final decision should not include any “informal flexibility” option, similar to those used in most companies; instead, the flexible arrangement must be formal in nature, and in writing.

B. PREPARATION PHASE

Once management has selected the appropriate FWA for the organization, the next phase is to plan all the necessary steps to proceed to the implementation schedule. Preparation is a crucial factor for the success of any work arrangement. It depends on evaluating defense member eligibility and job position suitability. Preparation also relies on well-written policies and guidelines under which defense members would be allowed to work under the new arrangement. Training sessions and agreeing on the evaluation and monitoring methods are also issues that need to be addressed in the preparation phase. Finally, administrative issues such as the application process and the specifics of the engagement also need to be resolved before the initiation of the arrangements.

1. Employment and Eligibility

It is conventional wisdom that some military jobs are unsuitable for work flexibility. For example, tasks that require physical contact with equipment and goods or telecommunication of sensitive information and data, can only be performed onsite. Furthermore, workstations that demand a public presence and interaction with customers, vendors, and other military members, are usually not eligible for any flexibility, unless part of the tasks can be performed outside the office or the core working hours. Conversely, work that requires computer-oriented tasks or thinking and writing, such as reviewing contracts or proposals and writing reports can easily be done during teleworking sessions or nonstandard working hours. The Australian Ministry of Defense
clearly articulated a series of jobs and positions that should be excluded from any FWA planning, proposal, or negotiation plan:

a. Seagoing or field postings.
b. Jobs that require daily direct customer face-to-face contact.
c. Situations where regular, face-to-face contact with other team defense members is an integral part of the job.
d. Jobs where access to specialized requirements or classified information is required.
e. Where supervisory or divisional responsibilities may conflict with FWA.
f. Where the defense member is posted to a training establishment.
g. Where equipment or services required to undertake the proposed work cannot be reasonably provided by the commonwealth.

(Australian Government, Department of Defence, 2012, p. 5)

Ideally, all employees should be eligible for any type of FWA but some employees are better candidates to work under a flexible arrangement if they possess necessary attributes required under the flexibility prism. The defense member needs to be a self-motivated and disciplined self-starter, reliable, and responsible; these attributes are normally reflected in past evaluation ratings. She also needs to be results-oriented and comfortable with efficiently prioritizing her workload with only minimal oversight from a supervisor, since some or most of the time she will work independently or remotely. However, if management decides to disapprove a request for FWA, the reasons for the denial should be discussed along with ways to conciliate and find alternatives.

Moreover, senior management has the burden and responsibility to decide whether the defense member can be productive and eligible for any FWA. It must also take into account whether the work arrangement could have a positive impact on organizational productivity and effectiveness. Thus, before making any work arrangement available, the commanding and executive officers need to answer a number of questions with respect to employee attributes and beliefs. If most of these answers are negative, then the FWA has a significant chance of failing. In this case, senior leadership
needs to reevaluate the dynamics among the FWA framework’s elements or the interactions among the defense members and management. In general, employees are expected to perform and be evaluated under the same working standards, while management should also use the same criteria among all employees, regardless of their FWA status. The following are a sample of the potential questions associated with the relationship between the defense members and the relevant risks:

- Can the defense member work independently without management oversight and direction?
- Can the defense member accomplish a greater, or at least the same number of tasks, while being more efficient, following the new work arrangement?
- Do the workload and the evaluation methods need to be restructured for a FWA? Does management need to pursue different management styles such as Management by Objectives?
- How necessary is it for a defense member to be onsite, cooperatively work with other members or attend all meetings? Which impact has a FWA to the organizational decisionmaking process and social interactions among the employees?
- How will the FWA affect the workload, the communication between defense members and the overall culture of the department or the agency overall?
- Will the FWA affect a defense member’s promotion potential or the chance of being transferred to another agency?

Finally, defense members need to be informed with respect to the FWA characteristics, assumptions, and costs and benefits with regard to organizational requirements and personal needs, before opting in. Everyone needs to understand the reasons behind the initiative and how these circumstances fit with their personal needs and obligations. Potential aftermaths such as social isolation, biases, or even financial implications need to be explained in detail and in simple language. In the case of teleworking, the telecommuter needs to understand that only a suitable and distraction-free workplace can guarantee the same level of performance as in the office. Moreover, the defense member needs to understand that workplace flexibility is an initiative that will be continuously reviewed and can be changed or even terminated, due to unexpected
circumstances or any other given cause. Thus, cancellation procedures need to be discussed accordingly. Once the details are fully understood by the defense member, then she can evaluate the available FWA and decide whether to opt in.

2. Administration

One significant administrative factor is the performance evaluation and job designation. Under the FWA prism, the scope and criteria of job assignments might be different than usual. But the core elements and standards of the work itself should not differ, since the defense member has the same responsibilities as before. Hence, the organization needs to establish adequate, clear, and written policies and procedures to mitigate any risks from misunderstandings or misconceptions. Monitoring activities might also differ, according to assessments regarding the level of trust, support and job specifications. If the proposed FWA requires overtime compensation, management needs to be careful regarding budget constraints and the necessary steps of approving such an arrangement. Lack of internal controls, inefficient segregation of duties, rationalization and incentive to commit fraud, might distort the true motive behind a request, especially when the financial incentive comes into play.

Furthermore, supervisors should not pay attention to employees’ quantity of tasks or their visibility or attendance factor. Thus, a consensus between defense members and management needs to be present, with respect to the work outcome, the quality of the tasks, and the most appropriate evaluating method. The most convenient way to address these issues is a “projectized,” outcome-oriented approach, such as management by objective. Thus, senior leadership needs to establish reliable, effective but not radically new performance metrics. The point of pursuing a FWA is the continuity of existing organizational mechanisms such as performance and assessment procedures in such a way that the desired flexibility will be accomplished gradually, as part of the organizational culture, without using disruption.

Creating a solid, short, clearly written, and non-questionable application and approval process is also a basic factor. The candidate must fill out an application to be signed by her CO. The applicant should also express with honesty and integrity the
reasons and terms for requesting an alternative work arrangement. If the top management has serious doubts or prefers other options, then these arguments need to be addressed in detail during the application process. Thus, each agency should have a designated FWA managing officer or civilian. This intermediate manager can process the applications, requests, and questions regarding eligibility and the program itself and respond or act accordingly. The final decision should be made by a higher-level agency, such as the General Staff or Commanding Headquarters. The reason is that the decision-maker should be unbiased when ruling on a request, according to the business merits of the proposal.

3. Technology

A major issue is technology availability, especially with any teleworking arrangement. If a defense member wants to telework, two options are available: she uses her own equipment; or agency-provided equipment, covering any incurred costs. In the former case, the defense members must use their own hardware and software, and they are responsible for maintenance as well. Either way, the equipment needs to be sufficient and eligible to support the selected arrangement. If an employee needs to access an agency network, such as a VPN, to complete his tasks, then safety measures need to be present according to the IT rules. The worksite, such as the home office, also needs to be free of distractions and safe for performing office tasks. Finally, the agency will not reimburse the teleworker for any operational expense incurred during the duration of the agreement, even if they relate to the tasks performed. Typical examples of these expenses are office supplies, on-site IT support, and home utility costs. If the CO or approving authority suspects that these requirements are not present, then they have the absolute right to deny the telework request. Conversely, when implementing other FWAs such as flextime or the compressed workweek, the agency needs to be sure that it can provide the necessary equipment within the workplace.

In addition, if the agency provides the defense member with government-owned equipment, some issues need to be taken into account prior to the initiation of the program. Safeguarding the data and government assets is crucial. Classified data should
not be transferred to insecure work locations, while any processing of this sensitive data should be restricted to on-site or secured workplaces. Data confidentiality, integrity and availability are major concerns in the military environment, taking into account the significance of data content and the increasing cybersecurity threats.

4. Training

Organizational training sessions for eligible defense members and civilians should receive high priority in implementing any alternative work arrangement. Training can help everyone understand the scope and the benefits of the FWA within their organization. During training, better policies could be formed, more efficient ways of performing could be discussed, and work performance could be improved. Typical examples of training sessions include lectures from experts, case studies, simulations and actual examples from other organizations.

There is no “golden rule” for building the FWA policies, since each agency has a different mission and culture. Thus, each agency should have complete autonomy in forming necessary training sessions following some basic common rules and the different challenges for every defense member. In general, the following principles and processes need to be part of any training session: guiding principles, participant rules and responsibilities (supervisors, departments, etc.), employment characteristics (eligibility, duration, commitment, and termination), the application and approval process, and performance evaluation procedures. But different objectives according to seniority and the duties of the trainees are necessary.

The main objective for senior officer and manager training is how to handle all the new issues and requirements that may arise from the flexible arrangement. For example, the manager needs to understand the arrangement’s elements and try to find ways to implement them as tools to increase organizational performance and efficiency. Challenges may also arise from the necessary changes in manager leadership and supervising style that need to be congruent with the flexibility and the assumptions of the arrangement. Furthermore, managers need to fully understand the details and the principles for each arrangement, since they will become the main respondent for
questions arisen from the implementation. By the end of the training, the defense member
should also be able to identify and understand the benefits of the FWA, and establish the
required objectives, expectation and guidelines for her department. These new
requirements must be integrated into the manager’s performance evaluations as part of
their new responsibilities.

The main objectives for employee training should be instruction in how to
perform tasks under the new policies and requirements and education on how to be
managed. Teleworking requires, for example, extensive programming, since it depends
on variables such as the home working environment, cybersecurity, data processing, and
technology usage. In general, training should address issues with respect to which traits a
candidate should possess, what is the potential impact on the defense member’s work-life
balance, and other personal attributes. Furthermore, training should hinge on the
anticipated adjustments in the working environment. Issues such as meeting schedules,
project coordination, performance evaluation, and FWA best practices are examples of
these adjustments. The bottom line is to train everyone involved on how to work
efficiently without supervision, and improve personal and organizational performance.

5. **Overcoming Resistance to Change**

One of the more consistent and widely encountered burdens is management
resistance to change and organizational inertia. The implementation of a FWA will
eventually encounter skepticism and doubt. Some supervisors resist out of fear of losing
responsibilities or valuable service members from their oversight, and their entrenched
beliefs that private sector tools are incompatible with the military environment.
Furthermore, agencies might favor long discussions, negotiations and meetings to achieve
an impossible bureaucratic consensus. These interactions might be difficult to omit if the
preparations’ procedures depend on the agencies’ support. Military institutions are known
for tending to repress experimentation and indirectly tolerating or even encouraging mean
performance.

Business literature suggests a lot of radical or moderate measures to overcome an
organization’s inertia and resistance to change. For example, one well-known active duty
Pentagon futurist and the Defense Advanced Research Projects Agency (DARPA) manager, Lieutenant Commander Charles Townes, acknowledged how difficult it was to create something new in the military environment and suggested: “If you’re going to do anything new, you have to disregard criticism. Most people are against new ideas. They think, ‘If I did not think of it, it will not work.’ Inevitably, people doubt you. You persevere anyway” (Jacobsen, 2015, p. 727).

There is no rule of thumb on how to overcome management’s resistance. A typical approach is to address supervisor concerns and train them accordingly on how to manage flexible workers. Moreover, a task team of a handful of defense members dedicated to the design and implementation of the alternative work arrangement, while being supported by senior leadership, could increase the chances of success, as the DISA case study demonstrated. Augier et al. (2015) suggested the adoption of smaller incremental changes in organizational compartments, since with small changes “people face more limited prospects of loss from changes that affect them” (p. 7). They also suggested that having a “temporary” transition period reduces the pain of change, but any serious change needs time and continual evolution (Augier et al. 2015). Other studies have indicated that implementing short but effective pilot programs, and getting professional support and consulting from other public agencies or corporations where FWAs have actually thrived, could be strong influencing factors (Peters & Heusinkveld, 2009).

6. Selection

The last step in the preparation phase is to select the appropriate agency or department to implement the work arrangement. The General Staff does not need to be reluctant in implementing the arrangements in agencies that faced issues or discomfort in the past. The point of this phase is to test the endurance, and reflexes of the agency as a whole, to radical change. Furthermore, diversity is desirable. Civilians and uniformed members need to be simultaneously exposed to the new work arrangement. The way different employees and departments approach the same program could be a significant indicator of the merits, virtues, conflicts and the underlying culture of an agency.
C. TRIAL PHASE

The trial phase includes a short period of three to twelve months allowing the agency or department to implement the appropriate FWA from the selection phase. The whole implementation process is a flexible, adaptable and dynamic process and relies more on managers’ critical thinking, involvement, and support rather than written procedures. This transitional process needs to be as smooth and progressive as possible; no major, massive, and sudden changes in the organizational culture and daily operations should be obvious. The most important adjustments come from the manager’s perspective and decision-making. Supervisors need to be proactive when addressing undesired outcomes or behaviors, flexible when implementing different evaluation methods, and precise when documenting the processes and events. A major shift from the previous status quo is that managers need to be aware of the delegation of duties and increased level of mutual trust that needs to be present between them and the employees. The new work relationship is based on increased autonomy and flexibility and the managers need to fully comprehend the fact that they cannot supervise the employee directly and therefore cannot manage in a hands-off manner.

Communication between the engaged defense members is also crucial to the success of the initiative. Thus, interactions between managers and employees must be established on a different basis. Regular meetings for discussions, revising schedules and brainstorming new ideas can be part of the agenda. Refining and sharing management expectations and how individual performance can meet the organizational goals can also be part of the communication plan. The bottom line is to have regular discussions with the flexible workers to create a two-way communication channel that can prevent anomalies from the implementation process.

Furthermore, managers need to monitor the FWA implementation in their workplaces and respond proactively in cases of undesired outcomes or behaviors. The first option should always be to find a solution for any issue and not postpone corrective measures. The mental and physical health of the defense members is considered the highest priority when a manager weighs his choices. The monitoring activity should include frequent onsite discussions with teleworkers and flexible workers to address
issues. If a manager identifies any negative consequence in a defense member’s performance or in organizational efficiency, then he needs to report it immediately. The senior management could then determine whether adjustments need to be made or whether terminating the arrangement is the best option.

During the trial period, managers need to be aware of the different supervision and evaluation approach they need to implement. The “managing for results” approach based on measurable outcomes and not the visibility expectations should be the driving force behind the organizational performance and evaluation methodology. The absence of the defense member from her normal station requires a dynamic and proactive management style with a focus on “project oriented” tasks. These tasks have to be related to the duties normally assigned onsite but they also need to be fully understood and within specific timeframes. Thus, management needs to clarify how the tasks will get done and how any collaboration projects and meetings would be scheduled.

During the trial phase, the telework officer needs to document all the necessary procedures and circumstances that surfaced during the implementation of the initiative. The purpose of the trial period is to learn lessons for the evaluation phase, allowing management to adjust the arrangement according to the outcomes. Documentation can guarantee the continuity of the monitoring and evaluation process, regardless of the defense member holding the telework office position. Furthermore, documenting facts such as the tasks performed remotely or during non-standard work hours, the number of participants, and the performance output, could provide valuable data to management. This documented data, once collected and normalized, they could help management build statistical models to forecast performance outcomes and organizational efficiency.

D. EVALUATION PHASE

Once the trial period has finished, the senior leadership along with the supervisors need to evaluate the process and the results from the FWA implementation. A typical review process includes checklists, observations, document collection, and data comparison. One aspect is to determine whether management was able to implement the initiative and facilitate any issues that arose. The supervisors should also provide
feedback and data. Of further valuable is employee perspective on the FWA’s impact on their personal and professional life. Feedback might need to be anonymous, due to considerations regarding potential retaliation. Feedback channels must encourage everyone involved in the process, regardless of their rank or involvement, to express their opinion and participate in the subsequent dialogue.

Senior leadership has multiple options in this phase. Termination of the whole initiative is one possible outcome, due to incongruence with the goals set in the preparation phase or lack of further interest. In this case, the reasoning behind the decision must be analyzed and documented in details for future references. Additional qualitative and quantitative data, such as overall costs, surveys, transactions, etc., also need to be collected and archived. If the termination is temporary but further actions need to be done, a course of action within specific timeframes needs to be established to prevent organizational inertia and diminishing interest.

If the overall process was successful, data collection becomes crucial for shortening the time needed to develop and re-implement a better version of FWA. Once records and reports are processed, senior leadership can determine whether the work arrangement needs to return to the trial phase for re-evaluating or move forward with the current arrangement. Finally, the success of the initiative does not guarantee the implementation of FWA in the work environment, as the Best Buy case study so excellently demonstrated. The final decision is more a long term strategic decision rather than an evaluation of benefits and challenges.

E. **IMPLEMENTATION PHASE**

The basic underlying principle of the last phase is that management is convinced of the success of the initiative and supportive of a wider implementation of the FWA. Managers throughout the organization should understand and support the principles and the core values of the work arrangement. Two major aspects are crucial in this phase: crafting effective communication plans while increasing and encouraging participation at the same time. Time can positively impact the process. A long-term implementation plan full of small incremental changes might have a higher success rate and less resistance. It
looks more realistic while it allows having transition periods that may help the agency avoid big inertia problems and resistance from departments that did not participate in the trial phase (Augier et al., 2015).

1. Communication Plan

A direct communication channel between the senior officers and service members needs to exist to clarify the characteristics of the agreement. Typical examples are regular top-level briefings, sharing best practices, and one-to-one meetings with officers who are unwilling, unconvinced, or misinformed. This channel can provide early detection of any “practical drifts,” valuable information, and feedback. Management can also assess whether modifications are necessary to align an individual’s performance with the agency’s overall goals and even revoke an agreement if its continuation is detrimental for the organization or the individual. The agency’s overarching mission statement is always the driving force behind every military agency and FWAs need to become an implementation tool of it. Communicating lessons learned from the trial period can help service members understand the complexity of the arrangement, but also identify its strengths with respect to the organizational performance and individual’s benefits.

2. Participation Increase

OPM’s report (2014) addressed the issue of increasing FWA participation by elaborating on methods such as aligning the initiative with the overall agency’s strategic goals and emphasizing its significance for operational readiness. Agencies and managers who did not follow the agreed-upon procedures, did not achieve the predetermined goals, or did not have satisfactory participation rates, should also be addressed individually. Genuine and persistent support and encouragement from management combined with intensive training are also key factors. Moreover, promoting participation in agency-wide meetings and throughout the organization, broadcasting supportive messages, and conducting special events with guest speakers could also facilitate the process (OPM, 2014). Finally, other useful measures could include the regular reevaluation of the eligible positions and job specifications, and the increase of technology budget to improve the current infrastructure and make teleworking arrangements more viable.
F. **CHAPTER SUMMARY**

Implementing any FWA in the military work environment requires a step-by-step approach to facilitate the process. The first step is the selection phase which includes a control environment analysis and a three-step risk assessment. The next step is the preparation phase which includes decisions regarding job eligibility, administration tasks, technology availability and training customization. This step also includes an analysis on how to overcome the inherent resistance to change and select the appropriate work arrangement. The third step is the trial phase which includes a relatively short testing period of implementing a FWA. The fourth or evaluation phase includes evaluations and reviews of the previous step. If the results are unsatisfactory, the initiative could be cancelled, postponed or reenter the process from the selection phase. On the contrary, positive effects would lead the process to the fifth and final step, the implementation phase. Two necessary parts of this step are constructing a solid communication plan and increasing defense member participation.
V. CONCLUSION

A. SUMMARY

FWA is a broad term that describes the alternative work arrangement that allows an employee to work in a different physical location, duration, or time schedule compared to the traditional work environment. FWAs are considered a tool for increasing organizational effectiveness and achieving work-life balance. Institutions and countries embrace the FWA concept differently, with respect to their organizational and societal cultures. Several studies have analyzed the dynamics and the elements for workplace flexibility. The case studies demonstrated how the complexity of the work environment and the incentives of senior management could eventually determine the outcome for each arrangement.

The purpose of this MBA project was to design a two-dimensional model for facilitating the FWA implementation in the military work environment. The first dimension explains the dynamics and the costs and benefits in any FWA. The research suggested that social, economic, and personal reasons seem to encourage implementation of FWAs in the work environment. Furthermore, different parameters determine the characteristics of workplace flexibility: personal beliefs, autonomy, organizational culture, technology, workplace characteristics, jobs specifications, and other miscellaneous factors. Two overarching mediators can significantly impact each of these parameters: trust and support. Additionally, notwithstanding the widely proven benefits, significant costs such as social isolation, home stressors and behavioral biases may undermine any initiative.

The model’s second dimension describes a basic platform for implementing any FWA in a military agency. This platform consists of five phases: selection, preparation, trial, evaluation, and implementation. Each phase may include distinctive steps, such as assessments, plans, and guides that could help management surmount any difficulties and plan better. The final output of these initiatives cannot be predetermined, since it relies on the unpredictable human factor. However, prior research has indicated that in most cases,
an organization should anticipate increased effectiveness and efficiency after shifting to alternative work arrangements.

B. RECOMMENDATIONS

I recommend that the Hellenic Navy examine the possibility of embracing alternative work arrangements as a tool for effectively using its most valuable asset—its personnel—without incurring additional costs. FWAs could have a significant positive impact on morale, retention and motivation in the unstable work environment that has resulted from Greece’s longstanding financial crisis. In addition, this project’s intention was to provide a theoretical baseline that could be field-tested in a real-world scenario, and eventually be evaluated, modified, upgraded, and implemented accordingly. Thus, I recommend that the five-step implementation plan be used in a pilot military agency as soon as possible. The Hellenic Navy Supply Center (HNSC) could be a suitable agency due to the variety of its tasks and the diversity of its personnel and departments. Thus, its different directorates could become the “control” and “experimentation” groups, allowing the work arrangements to be tested and evaluated.

C. LIMITATIONS AND AVENUES FOR FUTURE RESEARCH

Flexible Work Arrangements is a broad topic with intertwined elements and relationships. The breadth and the complexity of the topic and the lack of necessary resources have shifted my focus to designing the theoretical aspect of a two-dimensional conceptual framework and model. Future research could use the results of this study to evaluate the effectiveness of the designed, defense-focused model in a real-world scenario, such as a pilot military agency. Furthermore, the model assumes that there are laws and rules that could facilitate and embrace the FWAs in a military agency. If the work environment is unfamiliar or lacks the appropriate laws for implementing alternative work arrangements, future researchers should assess any new regulations and changes in current legislation that could facilitate or accelerate the implementation of more FWAs.
LIST OF REFERENCES


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