

# **FLEXTIME AND THE COMPRESSED WORK WEEK: POSSIBLE STRATEGIES FOR SMALLER FIRMS TO INCREASE EMPLOYEE PERFORMANCE AND SATISFACTION**

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## **ABSTRACT**

*The objective of this study was to evaluate the effect of flexitime<sup>1</sup> and the compressed workweek<sup>2</sup> on the performance and satisfaction of employees of small firms. Employees were selected from three small organizations representing the service, retail, and manufacturing areas. A pre-flexitime and pre-compressed workweek questionnaire was administered to each of the employees of the three firms measuring various dimensions of performance and satisfaction. A post questionnaire was administered approximately one year later. The results of this study indicate that employees of all three surveyed firms preferred flexitime and the 4/10/40 workweek over the traditional work schedule in the variables used to measure employee performance and satisfactions.*

## **INTRODUCTION**

Over the last several years, there has been growing discussion about reducing worktime and making work hours more flexible. The rising interest in worktime issues is rooted in a number of fundamental social changes. Among the most important of these has been the growing number of working women, many of whom are mothers who desire part-time jobs and flexible work schedules to pursue both careers and child-rearing activities. Along with this change has come the rise of dual-earner families and fewer children, tending to increase family income while reducing financial needs and thus allowing men to reduce their worktime and earnings (Rosenberg, 1977). At the same time, there has been increasing interest in part-time and part-year work among the younger student population and older workers near or past retirement age. Employees' needs for elder care has become a genuine concern (Belson, Dopkeen & Retchell, 1988). In addition, persistently high levels of unemployment have increased interest in sharing available worktime, not only to spread available jobs among more persons but also to share the limited number of desirable positions among an increasingly skilled work force. Finally, there are indications that American values have been moving away from materialistic goals toward concern with the "quality of life," particularly among both male and female

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professionals (Banbury-Masland & Brace, 1985; Bonfield, 1988; Fischel-Wolovick, Cotter, Masser, Kelman-Brave, Joffe, Rosenberg & Wittenberg, 1988; Thomas, 1986). Although these social changes are not likely to cause massive reductions in worktime, they are likely to tilt American society toward a growing concern with worktime issues (Best, 1978; Best & Stern, 1977; Buckley, Fedor & Kicsa, 1988; Burdetsky & Kaplan, 1981; Levitan & Belous, 1977).

The problems of job dissatisfaction and worker discontent among employees have resulted in many organizations' adopting alternative work schedules in an attempt to solve these problems. As a result the incidence of alternative work schedules has increased from a total in 1976 of 1,270,000 workers or 2.1% of all full-time non-farm wage and salary workers and in 1977 between 2.5 and 3.5 million employees on flexitime to double these amounts in 1987 (Nollen & Martin, 1978; Ralston, Anthony & Gustafson, 1985; Thomas, 1986; The Harris Survey, 1977).

These figures are quite impressive considering that flexitime originated in Germany only in the late 1960's and in the early 1950's the five-day-forty-hour week had become almost completely established in the United States (Bloom & Northrup, 1969).

Recent studies of flexitime in large organizations in both the private and public sectors revealed some positive results. A study by Latack and Foster (1985) within a computer operation within a large industrial firm found increased job satisfaction, productivity, and morale along with a substantial reduction in absenteeism due to sick time among employees. Economides, Speck, and Shuh (1989) studied flexitime among 65 white collar, salaried employees of an engineering service unit and found favorable employee reaction along with an increase in performance. In the public sector these conclusions were supported by studies conducted by Ralston, Anthony, and Gustafson (1985).

Studies of the compressed workweek by McGuire and Liro (1987; 1986) as well as Herrick, Vanick, and Michlitsch (1986), and Dunham, Pierce, and Castaneda (1987) reported an increase in morale, productivity, and satisfaction as well as less stress. These studies were conducted, however, in the larger type of organization. However, little research has been conducted to determine the influence of alternative work schedules on employees of small firms.

The objective of this study was to evaluate the attitude of employees of smaller firms toward flexitime and the compressed workweek in the areas of employee performance and satisfaction. Employees were selected from three small organizations representing the service, retail and manufacturing areas. All three firms were established between 1980 and 1982.

## METHOD

### Sample

The three firms represented in this study were located in northeastern Ohio. The service firm (in the Research and Development area) employed a total of 36 employees, all of whom participated in the study. All 32 employees of the retail firm participated in the study as well

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as the 24 employees of the chemical manufacturing firm.

In the three firms flexitime arrangements were as follows: employees could start between 6:00 and 8:00 a.m. (9:00 - 11:00 a.m. for the retail firm) and work until 4:00 and 6:00 p.m. (7:00 - 9:00 p.m. for the retail firm) as long as they worked a total of 10 hours during the day.

All employees were to be present for the core hours between 8:00 a.m. and 3:00 p.m. (11 a.m. and 6:00 p.m. for the retail firm), with a lunch and dinner break at noon and 5:00 p.m.

The compressed workweek in all three firms consisted of four 10-hour days (4/10/40). However, in the R & D firm the four 10-hour days could be fulfilled on any four days from Monday through Saturday. In the retail firm the four 10-hour days had to be worked consecutively, and in the manufacturing firm the 4/10/40 arrangement was specified as Monday through Thursday only.

## Measures

A pre-flexitime and pre-compressed workweek questionnaire was administered to each of the employees of the three firms. Five general employee reactions were measured. Scales developed by Melcher (1976) were used to measure four of these: (a) job involvement, (b) work-goal commitment, (c) cooperation, and (d) sense of achievement. The fifth, general job satisfaction, was assessed using the short form of the Minnesota Satisfaction Questionnaire, modified to the Melcher scale.

Two specific work schedule attitudes were measured. Scales from Dunham, Pierce and Castaneda, modified to the Melcher scale, were used to assess general schedule affect and effects on family and social life.

The flexitime and 4/10/40 workweek was initiated in all three firms, and a post-flexitime and post 4/10/40 questionnaire was administered approximately one year later.

## RESULTS

### Employee Performance

Four of the five general employee reactions measured relate to employee performance (i.e., job involvement, work-goal commitment, cooperation and sense of achievement). Among the three firms, nine of the twelve results were significant at the .01 level and above from the Pre to the Post periods.

Job involvement for both the retail and manufacturing firms was significant at the .01 level and for the R & D firm at .10. Work-goal commitment results for the Pre and Post measures revealed significance at the .01 level for both the R & D and retail firm but .10 level for the manufacturing firm. However, the manufacturing firm witnessed a change at the .01 level for sense of achievement, whereas both the R & D and retail were significant only at the .10 level.

It is interesting to note that the results for the variable of cooperation from the Pre to the Post period for all three firms were insignificant.

**Table 1***Employee Reactions and Attitudes Toward Flexitime and the Compressive Work Week*

	Pre-Flexitime and 4/10/4			Post Flexitime and 4/10/40		
	R & D	R.	M.	R & D	R.	M.
<b>General employee reaction</b>						
Job involvement	4.10	2.75	2.95	5.90**	6.90*	7.55*
Work-goal commitment	4.15	3.50	4.55	6.89*	7.80*	6.55**
Cooperation	5.85	5.75	5.90	6.15***	6.25***	6.08***
Sense of achievements	3.10	3.50	3.45	4.00**	4.40**	5.30*
General job satisfaction	3.10	3.34	4.40	4.45**	4.65**	
<b>Specific work schedule attitudes</b>						
General schedule affect	4.50	3.20	4.20	6.10**	6.05*	7.15*
Effects on family and social life	3.15	4.10	4.16	5.95*	6.20**	7.50*
*significant at .01 level						
**significant at .10 level						
***not significant						

R &amp; D (Research &amp; Development Firm)

R (Retail Firm)

M (Manufacturing Firm)

### Employee Satisfaction

The one measure under general employee reaction to the category of general job satisfaction resulted in a difference for all three firms at the .10 level of significance.

The two specific work schedule attitudes measured, general schedule affect and effects on family and social life, resulted in four of the six variables being significant at the .01 level. Specifically, both the retail and manufacturing firms witnessed a .01 level of significance among its employees from the Pre to Post period for the variable of general schedule affect. The R & D firms' employees' responses resulted in a .10 level of significance. Effects on family and social life resulted in a .01 level for both the R & D and manufacturing firm and .10 for the retail firm.

### SUMMARY

The findings of this seem to indicate that it is possible to anticipate worker reaction to alternative work schedules such as flexitime and the compressed work week prior to their introduction.

Furthermore, results of this study indicate that improvements in employee reactions and attitudes were realized in the general areas of performance and satisfaction. Therefore, small

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firms should consider flexitime and the compressed work week as strategies for improving employee performance and satisfaction.

### Footnotes

<sup>1</sup>Flexitime is a work schedule where employees may vary their starting and stopping times within limitations while they work the controlled number of hours in a specific time period.

<sup>2</sup>Compressed workweeks are work schedules in which the usual number of full-time hours are worked in fewer than five days. Examples are the four-ten hour days (4/10/40) and the three twelve hour days (3/12/36).

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