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Can Compressed Workweeks Work Well For Your Firm?

The desire for more flexibility, coupled with the growing costs and time for commuting, are fueling interest in alternative work arrangements. While flextime is becoming a standard, there is increasing exploration of a compressed workweek—sometimes on an organizationwide basis—to address these issues.

The greatest fear in such situations is usually about lower productivity. On a related note, CPA firms will want to make sure that client service is not neglected or interrupted on the “off” day.

Pros and cons. There are a lot of benefits that could offset the necessary adjustments of a compressed workweek, according to workplace analysts. Four-day workweeks can not only reduce time and costs for commuting, but they can increase morale and contribute to greater work-life balance.

Your firm will, however, want to consider the issue not just from a firmwide perspective, but as it pertains to each department, job, and individual.

Be prepared for the unexpected as well, since there is not yet a lot of research on compressed workweeks, noted Jonathan Leonard, professor at the University of California-Berkeley Haas School of Business. For example, he said, even if parents have a compressed schedule, their children may not. And while employees may indeed come back refreshed from a three-day weekend, how well are they performing after 10 hours on the job Monday

through Thursday? That is the question that needs an answer, Leonard said.

Flex-time flexibility. When it comes to a four-day workweek—as with all flex-time situations—maintaining flexibility is key to creating a workable system, said workplace consultant Paul Rupert, founder and president of Rupert & Company in Chevy Chase, Md.

One of the main misunderstandings, Rupert said, is that there is something sacrosanct about the three-day weekend created by a four-day workweek when Fridays are the day off. In reality, he said, a successful compressed schedule is all about options—what works for the company, industry sector, manager, and individual—and sometimes giving an employee every Friday off is not the best option.

Compressed schedules can be mandatory or optional, with employees’ days off staggered, Rupert said. Other common compressed schedules, Rupert noted, are the grueling three 12-hour days or longer; 80 hours worked over nine days with every other Friday off; and the “summer getaway schedule”—nine hours a day with a half-day Friday, often with the option of working that morning at home.

CPA firms have experimented for years with variations of these schedules in an effort to encourage the commitment to the long busy-season

hours by providing a shorter or more flexible summer schedule. This makes them an excellent example of compressed workweeks that can vary by the time of year—something your firm may be able to educate clients about as they too explore compressed week options.

Client choices. You may find that some have already made a companywide commitment to a four-day week. There is a current trend among governmental entities to do just that.

This summer, Utah became the first state to mandate a 10-hour, four-day workweek, with 17,000 of its 24,000 executive branch government employees participating in the Working 4 Utah program. To save the state money on energy costs, affected offices are closed on Fridays. Utah will be

reevaluating the program after a year to see how it is working.

Among the other states making efforts toward similar arrangements are Maine, New Mexico, Oklahoma, Virginia, and Washington.

California Gov. Arnold Schwarzenegger began paving the way for compressed workweeks in the private sector with an Aug. 20 proposal that employees not covered by collective bargaining agreements should be able to work four 10-hour shifts in one week without triggering overtime pay.

Unlike the federal Fair Labor Standards Act, current California law requires overtime pay after an eight-hour work day, rather than a 40-hour workweek. The proposal would make 10

Post-Busy Season Staff Survey

Ask staff to assign grades to the questions below as follows: A = Always; B = Sometimes; C = Seldom; D = Never.

Challenge and satisfaction with level of responsibility:

- Is your work reasonably challenging?
- Are you given clear, concise instructions and directions relating to client assignments?
- Is the level of responsibility and difficulty of the work assigned commensurate with your ability and experience?
- Are you encouraged to offer comments and suggestions?
- Are you given the appropriate amount of responsibility and decision-making authority on client assignments?
- Are clients informed about their responsibility during the year-end engagement?
- Do clients respond appropriately to their responsibility during engagements and projects?
- Are clients aware of the firm's billing and collections policy?

Recognition and communication:

- Do you receive timely feedback on a job well done?
- Do you receive timely feedback when you need to do a better job?
- Do you feel like you are appreciated?
- Do you learn about "what's going on" via team meetings and other formal communication channels?

- Do you learn about "what's going on" through the rumor mill?
- Do you receive adequate information and training in the tax area?
- Do you receive adequate information and training in the A&A area?
- Do you receive adequate information and training relating to technology?
- Is the internal tech team responsive when you have problems?
- Is the administrative team responsive when you have special needs?

- Do you receive communication and support from the marketing team?

Clarity of policies and working conditions:

- Are firm policies and procedures clearly defined and adequately communicated?
- Are questions about company policies and procedures addressed quickly and professionally?
- Does the firm provide adequate technology resources?
- Do you feel your supervisors are truly a team and are responsive when you need help?
- Do you feel the firm's support people are truly a team and are responsive when you need help?

(Source: Rita Keller)

hours a day the threshold for overtime pay for nonexempt employees.

Compressed workweeks are being viewed by some employers as an attractive option to find and keep workers. Capital One is one such employer. It defines a compressed workweek as “a benefit that allows associates to work a full-time schedule in fewer than five days in one week without a change in job objective or scope,” according to *2008 Guide to Bold New Ideas for Making Work Work* published by the Families and Work Institute.

The company has offered compressed workweeks since it began in 1995 but did not formalize the program until 2003.

Also cited in the FWI report is natural gas company El Paso Corp. in Houston. In return for the option of working nine-hour days the rest of the week, employees work only four hours one day, usually Friday, to get an early start on the weekend or head out of town ahead of traffic, said Richard Wheatley, manager of media relations.

The program was announced in January 2005, Wheatley said, and after a successful six-month trial, it was instituted on a permanent basis. While the company “cannot point to specific cost savings,”

the program “enhances worker satisfaction, which can positively influence retention, productivity, and the bottom line,” he said.

Legal issues. Compressed schedules can trigger wage and hour errors, cautioned Peter Brown, an attorney with Liebert Cassidy Whitmore in Los Angeles. For example, Brown said, under the standard five-day, 40-hour work schedule, employers traditionally have viewed workweeks as being divided by midnight on Saturday, meaning that work on a Sunday would be viewed as being part of the week ahead for FLSA overtime purposes.

But when employers move to a common alternative work schedule—the compressed work schedule of nine days over a two-week period—they can no longer use Saturday as the dividing day for recordkeeping purposes. The reason, Brown said, is that doing so will create an imbalance, with one week consisting of five days with overtime and the other consisting of an incomplete four-day workweek.

To avoid FLSA overtime liability, he said, employers offering 9/80 schedules must define their FLSA workweeks so that 40 hours are worked in each week. □

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