# **FLEXIBLE WORKING ARRANGEMENTS** in the United Nations system organizations

Prepared by

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Joint Inspection Unit

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**United Nations, Geneva 2012** 

#### **EXECUTIVE SUMMARY**

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Currently, only two organizations, UNESCO and UNWTO, do not have an official policy on FWAs. In many United Nations system organizations, FWAs are known as staggered working hours, flexitime, compressed work week, time off for study purposes, and teleworking. Essentially, two types of flexibility are offered, either relating to hours of work or place of work. The Inspector has sought to review the pitfalls and good practices in existing FWA policies and see if other FWAs could be adapted to the United Nations system. The Inspector was interested in finding out how often various types of FWAs are actually used and by what percentage of staff. A web-based system-wide survey was conducted to seek the views of staff and managers on FWAs.

# Main findings and conclusions

- ➤ Many different terms are used to describe identical and sometimes different arrangements. There is no uniformity across the system for a definition of FWAs nor the interpretation of what they are.
- ➤ The general knowledge and understanding of the various types of FWAs by staff members is not good; staff seem to be the least familiar with the basic provisions of the "time off for study purposes" policy, followed by "teleworking".
- Managers are concerned that offering flexibility will lead to a loss of managerial control. However, the results of the survey show that only a small portion of the respondents actually use FWAs, but that the majority like the fact FWAs are available should they ever need them. The Inspector found that the major reason for the lack of support on the part of managers for FWAs is cultural: the culture of the organization, the individual's management style, their perception, and age.
- ➤ Some organizations allow for automatic accrual of credit hours to large groups of staff across the entire organization, with the ability to take, in some cases, up to 13 days off a year. Five of these organizations use a clocking in/out system to track hours worked by their staff. Most of the organizations are aware that there are problems with the clocking system.
- ➤ Implementation of FWAs is a managerial issue. Although the majority of managers believe they have the necessary managerial skills to manage staff on FWAs, they also think they would benefit from training on how to manage such staff.
- ➤ The findings lead to the recommendations to discontinue the use of the clocking systems for the purposes of monitoring FWAs; to institute training courses, within existing resources, for managers on how to manage employees on FWAs in a results-based organization; to eliminate the practice of allowing large groups of staff to accrue automatically credit hours in excess of the normal work-week hours for the benefit of earning extra days off; to agree on one term and definition for flexibility with regard to hours of work (e.g. flextime) and one term and definition for flexibility with regard to place of work (e.g. telecommuting); and to promulgate one policy for flextime and one policy for telecommuting.

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#### **ABBREVIATIONS**

CEB Chief Executives Board

FAO Food and Agriculture Organization of the United Nations

FWA Flexible working arrangement

GS General service staff

HLCM High Level Committee on Management

HR Human resources

IAEA International Atomic Energy Agency
ICAO International Civil Aviation Organization
ILO International Labour Organization

IMO International Maritime Organization
ITU International Telecommunication Union

JIU Joint Inspection Unit PwC PricewaterhouseCoopers

UNDP United Nations Development Programme
UNEP United Nations Environment Programme

UNESCO United Nations Educational, Scientific and Cultural Organization

UNFPA United Nations Population Fund

UNHCR Office of the United Nations High Commissioner for Refugees

UNICEF United Nations Children's Fund

UNIDO United Nations Industrial Development Organization

UNOPS United Nations Office for Project Services

UNRWA United Nations Relief and Works Agency for Palestine Refugees in the Near

East

UNWTO United Nations World Tourism Organization

UPU Universal Postal Union
WFP World Food Programme
WHO World Health Organization

WIPO World Intellectual Property Organization WMO World Meteorological Organization

#### I. INTRODUCTION

# Objective, methodology and scope of the review

As part of its programme of work for 2012, the Joint Inspection Unit (JIU) conducted a system-wide review of flexible working arrangement policies and practices in United Nations system organizations from January to August 2012. The review had been suggested by the World Intellectual Property Organization (WIPO) and supported by 18 United Nations system organizations.

# **Objective** and scope

- The scope of the review was system-wide, covering the United Nations Secretariat, its funds and programmes, the United Nations specialized agencies and IAEA. The objective of the review was to examine the various flexible working arrangements (FWAs) throughout the United Nations system, the policies in place and the practical implications of the differing arrangements for staff, management and the organization.
- In 2009, United Nations system organizations, under the umbrella of CEB, identified two standards of work-life balance and staff well-being that organizations should strive for. While all of the work-life balance policies allow for some type of flexibility, not all of them are necessarily flexible working arrangement policies. Flexible working arrangement policies are a subset of work-life balance policies. They cover full-time employment and equivalent benefits. The scope of this study is limited to flexible working arrangements (FWAs); part-time employment, although contributing towards work-life balance, is out of its scope.
- The review sought to identify both pitfalls and good practices in existing FWA policies and to see if other FWAs could be adapted to the United Nations system. The review attempted to answer how often various types of FWAs are actually used and by what percentage of staff; whether the financial implications of the different types of FWAs were known and if so, which arrangements are the least costly to set up, which offer the most savings, and which are most efficient. The study further looked at the different circumstances in organizations that support or do not support various FWAs.
- The concept of flexible working arrangements is not new.<sup>2</sup> ITU, ILO, IAEA, WHO, UNHCR and WMO were the first organizations to introduce flexible working

<sup>&</sup>lt;sup>1</sup> See Work-life balance in the organizations of the United Nations system (CEB/2012/HLCM/HR/3), 13 February 2012. Standard 1 includes policies on flexible time; parental/home/compassionate leave; rest and recuperation, mandatory time off after duty travel; compensation for overtime for GS staff; basic security in the field; access to Ombudsman, Staff Counselor, Mediator; a form of special leave with/without pay for family emergencies; stress management, career development training; HIV in the workplace and prevention of work-place and sexual harassment programmes; pandemic preparedness; time to breastfeed; staff outreach support programme. Standard 2 covers part-time work, job-sharing, compressed work-week, telecommuting, dual career and staff mobility programme, health campaigns, sports facilities, childcare facilities, compensation of overtime for all staff. <sup>2</sup> Refer to annex I

hours during the 1970s, followed by WIPO during the 1980s and UPU in 1990. FAO, IMO and the United Nations Secretariat introduced staggered working hours in the early 1990s.

6. UNDP was the first organization to introduce a policy on flexible working arrangements in 1999, offering telecommuting, flexible work schedules and part-time work. The United Nations Secretariat introduced its FWA policy in 2003 (ST/SGB/2003/4) with four options available to staff: staggered working hours; compressed work schedules (ten working days in nine); scheduled break for external learning activities; and work away from the office (telecommuting).

# Methodology

- 7. At the beginning of the study, a desk review, which included a review of publicly available FWA-related information, policies and staff regulations and rules of the organizations, was carried out.
- 8. A web-based system-wide survey was conducted to seek the views of staff and managers on FWAs. The link to the survey was sent to each organization with a request to distribute it to their staff. According to the reports on the number of staff in each organization, the JIU estimated that there were approximately 113,344 staff in the United Nations system organizations. The estimate is based on figures available from the organizations as of different dates, with some older than one year. A total of 18,953 staff responded to the survey yielding a 17 per cent response rate.<sup>3</sup>
- 9. Given that the survey was conducted online and distribution of the secured link to the survey was the responsibility of each individual organization, a response rate of 20 per cent is considered high. There was a relatively low response rate in FAO, UNHCR, the United Nations Secretariat and WFP, which could be the result of a combination of factors: dissemination issues; high concentration of the staff in field locations where flexible working arrangements are not a possibility/priority due to security, operational, cultural or other circumstances; general survey fatigue; among others.
- 10. Questionnaires were sent to all JIU participating organizations and, on the basis of the responses received, the Inspector conducted interviews with human resources officers of all the participating organizations, either in person, via voice-over-Internet-protocol software or by telephone.
- 11. The Inspector also conducted interviews with representatives of other international organizations and private-sector companies, including Deloitte LLP, International Organization for Standardization (ISO), Nestlé S.A., and PricewaterhouseCoopers Switzerland. The Inspector wishes to express her appreciation to all who assisted her in the preparation of this note, and particularly to

<sup>&</sup>lt;sup>3</sup> Response rate per organization: WFP 7%, United Nations Secretariat 12%, UNHCR 13%, FAO 14%, ITU 17%, ILO 21%, IAEA 23%, UNDP 23%, UNFPA 24%, WIPO 24%, UNICEF 25%, UPU 25%, WHO 25%, UNESCO 30%, UNWTO 32%, ICAO 40%, UNIDO 41%, WMO 45%, UNRWA 46%, UN Women 51%, UNOPS 62%, IMO 71%.

those who participated in the interviews and so willingly shared their knowledge and expertise.

- 12. Comments from participating organizations on the draft note were taken into account in finalizing the note. In accordance with article 11, paragraph 2, of the Statute of the Joint Inspection Unit, this note was finalized following consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.
- 13. To facilitate the handling of the note, the implementation of its recommendations and the monitoring thereof, annex III contains a table indicating whether the note is being submitted to the organizations concerned for action or for information. The table indicates the recommendations relevant for each organization.

## **Background**

- 14. Flexible working arrangements (FWAs) are part of the larger context of work-life balance. The concept of work-life balance means different things to different people and it changes from one stage of one's life to another. The right balance for a person today might not be the right balance tomorrow. Some sources report that so-called flexitime was first introduced in Germany in the 1960s to alleviate commuting problems and to facilitate the integration of mothers and housewives into the work force so as to mitigate the labour shortage. Over time, the percentage of working women significantly increased, families turned into dual-income earning units, and new generations of employees brought different views on life.
- 15. Additionally, the types of jobs have changed: people are less constrained; work can be performed outside traditional office hours or even outside the employer's premises. The technological advancements of the last 20 years have significantly contributed to this change by enabling people to work and be connected to work from virtually any part of the world.
- 16. There are four generations of employees working in the United Nations system organizations: the traditionalists (b. 1925-1945), baby boomers (b. 1946-1964), Generation X (b. 1965-1980) and Generation Y (b. 1981 and after)<sup>5</sup>. Generally speaking, the traditionalists respect authority and hard work, thus command and control style of leadership; they like setting and obeying rules. Baby boomers are comfortable with hierarchy and authority; they live to work and tend to have an 8-to-5 work ethic. Their comfort with and use of technology is mostly limited to the office.

<sup>4</sup> See Richard S. Rubin, "Flexitime, its implementation in the public sector," Public Administration Review, Vol.39, No. 3 (May/June 1979), pp. 277-282, available at <a href="http://www.jstor.org/stable/975953">http://www.jstor.org/stable/975953</a>. See also Stafco, "Flexible Work Schedule – Flex Time in the Workplace," available at <a href="http://www.stafco.com/flexible-work-options/">http://www.stafco.com/flexible-work-options/</a>.

<sup>&</sup>lt;sup>5</sup> Depending on the source consulted, traditionalists were born in the period 1925-1945, baby-boomers in 1946-1964, Generation X, 1965-1980 and Generation Y, 1981 and after. See also: <u>United Nations Joint Staff Pension Fund, "Traditionalists, Baby Boomers, Generation X, Generation Y (and Generation Z) Working Together,"</u>

- 17. Generation X are somewhat rebellious against authority and work to live. They demand flexibility and are connected to their world via e-mail and their mobiles 24/7. Generation Y expect to influence the terms and conditions of their job. They literally grew up with technology and have an "always connected" mind-set. To both Generation X and Generation Y, the rigidity of a traditional working day is a challenge.<sup>6</sup>
- 18. Due to the changes in working styles and for the reasons indicated above, our relationship with work has changed significantly. Once work used to be the place we went to, today work is what we do. We no longer ask "where do you work?", but rather "what do you do?" We are becoming more creative in how work gets done and we demand flexibility with regard to when, where and how we do our work.
- 19. Employers are competing for talent and are constantly developing strategies to attract and retain employees. Flexible organizations have changed their focus from presence to performance, and employ engaged, high-performing staff. They value efficiency versus putting in long hours. Their managers are at ease with trusting their staff to do their work without constant supervision. They are comfortable managing by results.

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<sup>&</sup>lt;sup>6</sup> Ibid.

# II. WHAT FLEXIBLE WORKING ARRANGEMENTS ARE AND ARE NOT

### A. What flexible working arrangements are

- 20. Flexible working arrangements are designed, inter alia, to enable flexibility in hours of work and place of work so as to promote a better work-life balance for staff. They are a measure that may be approved if the selected arrangement is mutually convenient for both the organization and the staff member, and if the work demands of the relevant office can accommodate the selected arrangement. Requesting and approving FWAs are purely voluntary actions; they are give-and-take arrangements for both the staff member and the organization.
- 21. Underlying conditions for FWAs to work are trust, responsibility and productivity, flexibility, planning and communication, and ability to manage based on deliverables rather than control and presence. Conditions of service and entitlements, such as salary, annual leave, sick leave, etc., are not affected by flexible working arrangements. Virtually all the organizations claim to have adopted FWAs, inter alia, for employee retention purposes, to attract new talent, to reduce unplanned absenteeism, as well as to increase or retain productivity, while offering staff more flexibility.
- 22. In many United Nations system organizations, FWAs are known as staggered working hours or flexitime, compressed work week, time off for study purposes and teleworking.

## B. What flexible working arrangements are not

- 23. Flexible working arrangements are not an entitlement, nor are they an acquired right, even if an organization has had an FWA policy in place for a long time. Simply because a job can be done from anywhere or at any time does not entitle a staff member to work an alternative schedule or from an alternative location. FWAs cannot be appealed, nor are they subject to grievance procedures should a staff member be dissatisfied for whatever reason. An approved FWA is not a right, only an enabler of more flexibility. Managers have the ultimate responsibility of managing their offices and delivering outputs. In the case of work exigencies, managers can require their staff to be present in the office, despite their being on an FWA. Moreover, the Executive Heads of the organizations have the authority to cancel all FWAs in their organizations, at any time and for any reason, as well as to institute new FWA policies.
- 24. Flexible working arrangements are not intended to reduce or increase the number of hours worked. They simply allow for the work schedule or location to be restructured or changed so that work can be performed at the time or location that is

<sup>&</sup>lt;sup>7</sup> Policies on FWAs in the UN system organizations

mutually convenient to the staff member and the organization, without compromising orderly business processes.<sup>8</sup>

- 25. Arrangements which involve reduced schedules are a form of part-time employment, under which compensation and benefits are prorated accordingly, such as regular part-time employment, job-sharing, phased or partial retirement, among others. While such arrangements certainly provide flexibility and are part of the larger concept of work-life balance, they do not fall under the small subset of flexible working arrangements which, for purposes of this review, implies full-time employment and full benefits.
- 26. During the interviews, the Inspector was provided with numerous examples of flexible working arrangements, while in fact, they are not so: a year away from the office to be with a partner/spouse/parent, a year-long sabbatical leave, accommodating a staff member with teleworking due to a medical issue, time off for breastfeeding, special leave without pay, maternity/paternity leave, etc. All of these arrangements have two things in common:
- (a) they are exceptional arrangements for exceptional circumstances to accommodate exceptional situations; and,
- (b) they are work-life balance arrangements designed for a very specific purpose for a specific period of time.
- (c) they are not arrangements made as part of the "normal" working week environment covered in this note.

<sup>&</sup>lt;sup>8</sup> See United Nations system organizations, *Work/Family Agenda*, brochure available at http://www.unsceb.org/ceb/ref/hr/402.

# III. FLEXIBLE WORKING ARRANGEMENTS IN THE UNITED NATIONS SYSTEM ORGANIZATIONS

#### A. Flexible working arrangements defined

### 1. Staggered working hours

27. Staff may choose their time of arrival in and departure from the office as long as they are present during core hours, and work their expected total hours per day. In most organizations, once a staff member's arrival and departure times are chosen, they become his or her fixed work hours. For example, if normal working hours in an organization are from 9 a.m. to 6 p.m., and the core hours are from 10 a.m. to 4 p.m., a staff member could choose to work from 7 a.m. to 4 p.m. or from 8 a.m. to 5 p.m. or any similar period covering the core hours.

#### 2. Flexitime

28. An employee may work more or less hours per day as long as the total specified hours of work per week are worked within a defined timeframe. For example, a regular working day of 8 hours, not including the lunch break, means that an employee must work 40 hours/week. Assuming an organization allows its employees to have a credit of +12 hours or a debit of -8 hours at the end of one week means that the employee can work 52 hours one week and carry a credit of +12 hours to the following week. Additional hours worked in one week may be taken as leave during subsequent weeks or months, often within a specified time frame and up to a maximum number of hours. Similarly, if an employee works less hours one week (as long as their negative balance at the end of the week is not more than -8 hours), he or she must make them up in the following weeks. While the accrual of credit hours does not require supervisory approval, leave in lieu of hours worked does.

#### 3. Compressed work week

29. A staff member may work longer hours during a compressed period of time in order to have a day off. For example, a compressed work week allows an employee to compress a standard five-day work week into fewer days (e.g. four days) or a ten-day period (two work weeks) into nine days or less.

## 4. Telecommuting

30. An employee may perform his or her work away from the office. This is also called teleworking, e-working or location-independent working.<sup>11</sup>

<sup>&</sup>lt;sup>9</sup> See United Nations system organizations, *Work/Family Agenda*, brochure available at http://www.unsceb.org/ceb/ref/hr/402.

<sup>&</sup>lt;sup>10</sup> Under this arrangement, if an employee works, for example 60 hours in a week, he or she can only carry forward 12 hours to the next week; 8 hours will be lost as there is no provision for more than 12 hours credit.

<sup>&</sup>lt;sup>11</sup> See Glossary of Flexible Working, available at http://www.flexibility.co.uk/helpful/glossary.htm.

# 5. Time-off for study purposes

31. A staff member may be allowed time off during the work week to attend a professional or personal development course. The time used for this purpose is made up during the week.

## **B.** Other working arrangements (non-FWAs)

- 32. Some organizations also offer reduced work schedules, <sup>12</sup> such as the following:
- (a) Regular or temporary part-time work, whereby the employee works less than a full-time schedule.
- (b) Job-sharing, a form of part-time work, whereby a full-time job is shared by two staff members, each working on a part-time basis.
- (c) Phased or partial retirement, which enables the staff member who is near retirement to reduce his or her working hours prior to full retirement. For example, rather than the traditional retirement, whereby an employee works full time up to the day he or she retires, a staff member may be allowed to reduce their work hours over a period of time, for example 6 months, prior to retirement, thus gradually adjusting his or her lifestyle.
- 33. All of the above arrangements are a form of part-time employment and are not FWAs per se, although they do offer flexibility to the benefit of the employee's work-life balance.
- 34. Hoteling and hot-desking, both of which involve desk-sharing, is another type of working arrangement. Under the hoteling system, an employee needs to reserve a desk in the office prior to his or her arrival, while the hot-desking system works on a first-come-first-served basis. Both arrangements are used by businesses and organizations whose employees spend enough time outside of the office that it is inefficient and expensive for the employer to maintain under-occupied desks. Neither hoteling nor hot-desking is an FWA. They can be implemented as a result of a significant reduction in the physical presence of employees in an office that offers FWAs; they may be a consequence of FWAs, but such arrangements are not FWAs.

# C. Policy arrangements in the United Nations system

35. An overview of the arrangements offered in the United Nations system organizations, and a timeline of when FWAs were introduced is provided in annex I. UNESCO and UNWTO do not have an official policy on FWAs: UNESCO allows for flexibility in hours and place on an exceptional basis, while UNWTO has staggered working hours as normal working hours, not as an FWA option. Although ILO has staggered working hours as normal working hours, it also has a policy on FWAs, including telecommuting and flexitime.

<sup>&</sup>lt;sup>12</sup> See United Nations System organizations, *Work/Family Agenda*, brochure available at http://www.unsceb.org/ceb/ref/hr/402.

36. The review of FWA policies in the organizations revealed that the terms staggered working hours, flexible work schedule, flexi-time working hours, special arrangement of hours of work, flexitime, flexible working hours and variable day schedule are all used to describe sometimes different and sometimes identical set-ups. Annex I shows the terms used by each organization for staggered hours and flexitime as defined in this note.

# 1. Staggered working hours

- 37. FAO, ICAO, IMO, ITU, the United Nations Secretariat, UNDP, UNEP, UNFPA, UNHCR, UNICEF, UN-Habitat and WFP offer staggered working hours. The schedule of employees on staggered working hours becomes fixed. UNHCR and UNICEF distinguish between staggered working hours and a variable day schedule. UNOPS practices a variable day schedule, but refers to it as a flexible working schedule.
- 38. Under staggered working hours, an employee works fixed hours chosen by him or her covering the organization's core working hours; the hours worked are the same every day. However, under a variable day schedule, an employee is allowed to work the hours he or she chooses outside of the core working hours, as long as the total hours are worked by the end of the week. It is important to note that a variable day schedule does not allow accrual of either a positive or negative balance at the end of the week.

#### 2. Flexitime

- 39. Flexitime exists in IAEA, ILO, ITU, UNHCR, UNIDO, UPU, WHO, WIPO and WMO. The United Nations offices located in Vienna used to have a flexitime arrangement, but it was suspended as of 1 April 2012 as it was not in conformity with the Secretariat's policy on FWAs and the Staff Regulations and Rules. <sup>13</sup>
- 40. Although all ILO policies state that flexitime is available to all headquarters staff, the organization reports that flexitime is almost exclusively used by the General Service staff; at WIPO<sup>14</sup> and WMO, accrual of credit hours is not applicable to staff at the D1 level and above; at UPU, this practice is available up to the P4 level. With the exception of ITU, organizations are focusing on hours worked, which are tracked through a clocking in or time-sheet system.
- 41. A maximum number of hours can be worked over (credit hours) or below (debit hours) the minimum required work hours, for example of an 8-hour day, which can be carried forward from one week to another. If debit hours exceed the maximum

<sup>13</sup> The framework on flexible working hours at the United Nations Office at Vienna (UNOV) and the United Nations Office on Drugs and Crime (UNODC) was reconfigured on 1 April 2012, following a review by the Office of Human Resources Management (OHRM) that brought to an end the system that allowed staff to accrue and use the so-called flex credits which were determined to be the accumulation and use of compensatory time off outside of the regulations and rules that govern overtime and compensatory time off (ST/SGB/2011/1, Rule 3.11).

<sup>&</sup>lt;sup>14</sup> WIPO has yet to promulgate a policy that excludes D1 level and above; currently, it is an "understanding".

allowed, the difference is subtracted from the employee's annual leave; if credit hours exceed the maximum allowed, they are simply lost. Each organization has defined the number of days that can be taken off in lieu of credit hours. The table in annex I provides an overview of the number of credit/debit hours and time that can be taken off in each organization.

42. The Inspector was interested to find out why there were so many differences among the organizations with regard to the accrual of credit and debit hours and the amount of time that can be taken in lieu of the credit hours (e.g. +16/-12 hours and 10 days off/year or, +10/-10 and 13 days off/year, see annex I). Furthermore, the Inspector wanted to understand how these limits were decided/calculated. No organization was able to provide an explanation for the limits originally set.

# 3. Compressed work week

- 43. It could be said that in offering flexitime and the accumulation of credit hours for time off, an organization is by extension offering a compressed work week. However, one difference between the two arrangements is that under flexitime, the staff member takes time off when he or she chooses, subject to approval of their supervisor, while under the compressed work week arrangement, the day on which the staff will be off is pre-scheduled and regular. The table in annex I indicates which organizations have compressed work week as part of in their FWA policies.
- 44. FAO, the United Nations Secretariat, UNEP, UNFPA, UNHCR, UNICEF, and WFP all offer their staff the "10 working days in 9" arrangement. At FAO, the day off can be taken on Monday or Friday, while at UNFPA and UNHCR, the day off must be taken on Friday. UNOPS offers the "10 working days in 9" as well as "5 working days in 4" and no specific day has to be taken off.
- 45. UNDP offers various compressed work schedules, including "10 working days in 9;" "5 working days in 4.5;" "3 and 2;" "2 and 2;" "1 and 3;" and "1.5 and 3." The last four options allow, for example, an employee on "3 and 2" to leave work 3 hours early on 2 days and make up the time by working 2 hours more on 3 days. While these options resemble flexitime offered by other organizations, the difference is that under UNDP's arrangements, the staff member's schedule is agreed in advance and is predictable. With flexitime offered by other organizations, an employee's working hours or presence at the office outside of core hours is not predictable.

## 4. Telecommuting

46. FAO, IAEA, ILO, ITU, the United Nations Secretariat, UNDP, UNEP, UNFPA, UNHCR, UNICEF, UNOPS and WFP all allow their staff to work from an alternative location. Virtually all policies cover regular and occasional telecommuting and state that the arrangement should be at no cost to the organization. Furthermore, virtually all the organizations specify that the employees must use their own equipment. However, UNDP employees are issued laptop computers, instead of desktop computers, and they are allowed to take them home, which facilitates their telecommuting, provided that they organize the remainder of the set-up. UN-Habitat does not allow telecommuting as a general practice.

- 47. The United Nations Secretariat, UNFPA, and UNICEF allow staff to telecommute for up to two days per week. UNDP offers full-time and part-time telecommuting and its FWA policy provides for a staff member to telecommute from anywhere in the world. Either arrangement can be established for a maximum of one year and may be extended following a review and subject to the agreement of both the supervisor and staff member. Similarly, UNOPS allows its staff to telecommute from anywhere in the world; however, if the telecommute base is different from the duty station, it may have an impact on the employee's salary and benefits, but there would be no additional cost to the organization.
- 48. UNHCR differentiates between teleworking and telecommuting. Teleworking refers to work performed at a location within commuting distance to the office and at scheduled periods; telecommuting refers to work performed at a location that is not within commuting distance to the office, and involves an arrangement which can, subject to approval, span over a period exceeding one year. This does not constitute an FWA per se as per paragraph 26 above. For both teleworking and telecommuting, the employee's salary and benefits are calculated at the duty station level.
- 49. UNRWA drafted guidelines on telecommuting based on a pilot project undertaken in 2010, but so far, telecommuting is only used for business continuity purposes.

## 5. Time off for study purposes

50. Time off for study purposes, offered as part of FWAs, rather than another policy, is available at ITU, the United Nations Secretariat, UNEP, UNFPA, UNHCR, UNICEF and UN-Habitat.

#### IV. FINDINGS OF THE SYSTEM-WIDE SURVEY

51. The Inspector would like to clarify that for the purposes of the survey, no distinction was made between flexitime and staggered working hours. Both arrangements were referred to as flexitime. Therefore, in the survey analysis below, reference to flexitime includes staggered working hours. In addition, the survey results are reported for two groups: staff and managers/supervisors. Staff includes all respondents, while managers/supervisors refers to a smaller subset of respondents who answered "yes" to the question, "Do you have staff whom you supervise and whose request for FWAs you would be in position to approve or disapprove?" Twenty-seven the respondents identified per cent of themselves managers/supervisors.

## A. Knowledge and understanding of FWAs by staff members

- 52. The responses to the survey show that the staff's general knowledge and understanding of the various FWAs is not good, especially considering that some FWAs have been in place for over 10 years. Comments made by staff to the openended questions bear witness to this, despite the box they may have checked in the survey. Twenty-three per cent of the staff in the United Nations system organizations do not know if their organization has a policy on FWAs. The Inspector encourages all organizations to take steps to make their staff aware of the policies in place. Of the 63 per cent of staff who are aware that their organization has a policy on FWAs, 61 per cent know the procedure for applying for FWAs, and 79 per cent find that the procedures are clear.
- 53. Staff seem to be most familiar with the policy regarding flexitime. Sixty-seven per cent of the staff have either a good or very good understanding of the basic provisions of the flexitime policy. Staff have the poorest understanding of the basic provisions of the time off for study purposes policy. Only 32 per cent have a good or very good understanding of this policy; followed by 41 per cent for telecommuting and 44 per cent for compressed work week (see figure 2, annex II).

#### B. Usage of FWAs in the United Nations system organizations

- 54. Usage of FWAs in the United Nations system organizations is generally low. Thirty-one per cent of the survey respondents are currently on FWAs. Of those, 71 per cent are on flexitime; 14 per cent work a compressed work week, 14 per cent telecommute; and 1 per cent takes time off for study purposes. Figure 3, annex II shows that men and women telecommute almost equally, while men use compressed work week and time off for study purposes more than women. Women, however, use flexitime more than men.
- 55. Usage of FWAs by managers/supervisors (see figure 4, annex II) is also at the level of 31 per cent, however, 63 per cent are on flexitime; 18 per cent work a compressed work week, 18 per cent telecommute; and 1 per cent takes time off for study purposes. Usage of FWAs by managers/supervisors from a gender perspective is almost the same as usage by staff.

- 56. The Inspector points out that the low usage rate (31 per cent) is not unusual. While it might be counter-intuitive, many human resource (HR) officers interviewed reported that although managers fear that once the policy on FWAs is introduced, their staff will simply disappear from the office and stop working, in reality, the number of staff using FWAs is not high. Based on the comments made in the survey, and on the interviews conducted, it seems that the staff are simply interested in the availability of these arrangements should they need or want to use them.
- 57. The respondents who are currently on FWAs were asked to select all of the reasons why they use FWAs (see figures 5-7, annex II). For female staff members, the primary reason is to take care of matters related to themselves, their family and/or their household; for male staff, the primary reason is to be to a certain extent in charge of the time and/or place of their work. The reasons why both male and female managers/supervisors use FWAs are firstly, to be in charge of the time and/or place of their work, and secondly, to take care of the matters related to themselves, their family and/or their household. Without dismissing other reasons for being on FWAs, it is clear that all respondents primarily desire a better balance in their lives.

# C. Support for FWAs

- 58. Fifty per cent of the staff who are aware of their organization's FWA policy find that the policy has made a difference to them personally. Fifty per cent of the staff have never applied for FWAs; 31 per cent are currently on FWAs; 9 per cent used to be on FWAs; 2 per cent reported that their application for FWAs was denied; and 8 per cent responded that their supervisor does not allow FWAs.
- 59. Although 23 per cent of the staff who have never applied for FWAs have not done so because the available options do not meet their needs, this is not the primary reason for their reluctance. For female respondents, the primary reason is concern about how their being on FWAs would be perceived by their manager/supervisor and/or colleagues (30 per cent). The responses of the male respondents indicate that they consider that their managerial responsibilities do not allow them to be on FWAs (27 per cent). Both male (23 per cent) and female (24 per cent) respondents are concerned that being on FWAs might have a negative impact on their careers (see figure 8, annex II).
- 60. Of the staff who used to be, but are no longer, on FWAs, the majority said that the arrangement worked well for them while it lasted (54 per cent female, 58 per cent male), but that they no longer needed it. A notable percentage of staff thought that their being on FWAs was not favourably perceived by their managers/supervisors (26 per cent female, 20 per cent male) (see figure 9, annex II).
- 61. With regard to assessing the support of their managers/supervisors, 39 per cent of the staff rated their managers as supportive; 20 per cent said they were unsupportive; and 41 per cent either did not know how to rate their managers or opted not to (see figure 10, annex II). From the interviews, the Inspector found that the major reason for the lack of managers' support for FWAs is cultural: the culture of the organization, the individual's management style, their perception, and age.

- 62. This was further confirmed by the survey findings presented in figure 11, annex II. Forty-seven per cent of staff agreed with the statement that although their organization offers FWAs, the organizational culture does not encourage their use, and 41 per cent agreed that employees who use FWAs are seen by co-workers and/or supervisors as putting their personal needs ahead of their job. Although 40 per cent of staff disagreed with the statement that in their organization, requesting FWAs is seen as having a problem with time management, 52 per cent also disagreed that employees are encouraged to take advantage of FWAs. Only 28 per cent agreed that in their organization, employees feel free to apply for FWAs, and 26 per cent said that supervisors and co-workers are supportive of individuals on FWAs.
- 63. All the organizations which have a policy on FWAs in theory support their staff's use of FWAs. However, they do not have any information on the use thereof because record-keeping is decentralized. The role of HR departments is mainly advisory and policymaking. No organization has its own data to support the statements often made that FWAs reduce unplanned absenteeism, reduce costs, or increase employee retention, however, they draw these conclusions from available public research on FWAs, with which the Inspector agrees.
- 64. Figure 12, annex II, shows that 88 per cent of staff are interested in flexitime; 75 per cent are interested in compressed work week; 75 per cent in telecommuting; and 67 per cent in time off for study purposes. Sixty-two per cent of the staff who are interested in telecommuting are willing to spend up to \$1,000 for the equipment and set-up associated with telecommuting. The responses to the open-ended questions indicate that many staff want more part-time options, which are not within the scope of this review.

#### V. IMPLEMENTATION OF FLEXIBLE WORKING ARRANGEMENTS

# A. Monitoring FWAs

- 65. The first organizations to adopt the concept of flexibility were ITU, ILO, IAEA, WHO, WMO, UNHCR and WIPO, which introduced flexitime between 1973 and 1983 in order to provide their employees with more flexibility (see annex I). The execution of this arrangement resulted in an interesting paradox: the flexible management tool was implemented within a traditional management control culture. Initially, control was exercised by monitoring hours worked using time sheets. Later, IAEA, WMO, WIPO and ITU introduced clocking in and out systems. UPU and UNIDO introduced flexitime in 1990 and 1997 respectively, and both organizations use clocking systems.
- 66. The following successes and downsides of using a clocking system were communicated to the Inspector during the interviews, and are based on the experiences of the organizations which use clocking systems.

Success	ses and downsides of using the clocking systems
Successes	Downsides
Time capture is centralized and automatic.	<ul> <li>The system does not guarantee honesty or accuracy of hours reported as worked:</li> <li>Clocking in extra hours affords anywhere between 4.5 and 13 days off a year in addition to annual leave; every minute counts and "beating the clock" becomes important;</li> <li>Anyone can swipe anyone else's card;</li> <li>The system is usually programmed to automatically take 30 minutes off an individual's working time for lunch; some staff choose not to clock out although their lunch break is longer than 30 minutes;</li> <li>If the clock malfunctions or is different from staff's own watch reading, staff demand corrections because they actually arrived to work 1-2 minutes earlier than the clock shows, etc.;</li> <li>The clocking system and entrance/exits from the building are independent; one can arrive at work, clock in and leave;</li> </ul>
The system produces electronic reports of presence/absence.  The system can be used for	HR is seen as a control point for the system. Managers shift responsibility of monitoring the staff's hours to HR and HR is expected to manage it.  HR has to perform large amounts of work. The systems are
calculation of overtime, etc.	complicated and labour intensive. The cost and time associated with serving the clock is high.  The system needs to be maintained and/or replaced when outdated, which is costly.  The use of the system sends the wrong message: focus on hours worked not performance.

67. The clocking system tends to encourage slow workers and under-producers, while punishing effective, hardworking staff. If two individuals are given the same work load and one takes 10 hours to do it, while the other finishes in 6 hours, the first

one will have +2 hours of flexitime, and the second one will have a negative balance of 2 hours, based on an 8-hour work day.

- 68. WIPO is aware that some of its staff use the clocking system incorrectly. UNIDO and IAEA are not aware of abuses, although IAEA did cite one case in the past, and UPU knows that clocking out for breaks is largely not done. All of the systems have the capacity to produce reports, which show if the time recorded is based on an original entry or if it was modified manually. Reviewing these reports is the responsibility of the office managing directors. The fact that the reports are available for review assumes that the review is done, and the fact that no issues are reported to HR assumes that there are no issues.
- 69. IAEA considered removing the clocking system five years ago and using its security system, which records entry into and exit out of the compound, to track the staff's working hours. WMO is the only organization which has performed an audit of its use of the clocking system. The audit found that over the two-month review period, 40 per cent of staff did not clock out for lunch breaks.
- 70. The Inspector noted that the clocking systems were inherited from the 1970s, when the idea of controlling work hours was born. The systems are now being updated; but when asked about costs, most HR officers could not provide any data. However, they allowed that the systems are expensive to maintain, some are outdated and require replacement, and some organizations do not have the resources to replace the systems. Moreover, the time and human resources necessary to monitor, correct and adjust entries in the systems are significant.
- 71. The spirit and intent of these systems when they were introduced was noble for the time, but how they are used and abused now is not. While they might be useful for overall time and attendance monitoring and security purposes, the Inspector is convinced that the use of a clocking system produces a culture of time-watching and unproductiveness. Furthermore, not all staff's time is monitored; some are trusted with responsibility, while others are not. This is problematic.
- 72. ITU is the only organization in the United Nations system which has moved from time control to performance accountability. It terminated the use of the clocking system in 2008.<sup>15</sup> The new management at the time decided that it could trust the honesty of its employees and the competence of its managers to deliver results. This system is referred to as an honour system.
- 73. The Inspector does not see the need for clocking systems to monitor FWAs. When staff are not on flexitime, they are trusted to be working; when telecommuting is allowed, staff are expected to produce results, without having their working hours tracked. Any system is as good as the people using it and the managers managing it. The Inspector is of the view that the focus should not be on tracking presence, but rather on tracking absence, as has been the case in most United Nations system

<sup>&</sup>lt;sup>15</sup> ISO also used the clocking system and after 20 years terminated its use as of February 2011, for the same reasons as ITU.

organizations since their inception. Under any scenario, with or without FWAs, what is important are the deliverables, not place and hours of work.

- 74. Clocking is indicative of a management problem to do with trust. There is the need for trust in all the organizations; the need to treat all staff members equally; the need for managers to manage staff. The challenge is for the organizations to return to the honour system and to focus on responsibility for results; in essence, a reverse cultural change is needed. It should be noted that the Inspector has no objection to and indeed supports badge-swiping for security purposes, so that the Security Services are aware of who is in the complex at all times.
- 75. It is expected that the implementation of the following recommendation will enhance the efficiency and effectiveness of monitoring flexible working arrangements.

#### **Recommendation 1**

Executive heads of the United Nations system organizations should, without delay, discontinue the use of clocking systems for the purposes of monitoring flexible working arrangements.

#### **B.** Managing FWAs

- 76. The implementation of FWAs is a managerial issue. Fifty-six per cent of the managers who responded to the survey manage less than five staff members, and 23 per cent manage between five and 10 staff members. Forty-nine per cent do not have any staff on FWAs, and 43 per cent have less than five staff members on FWAs. Seventy-four per cent responded that they have the necessary managerial skills to manage staff on FWAs; however, 71 per cent think they would benefit from training on how to manage such staff. This was further confirmed as only 8 per cent find it easy to manage a group of employees on FWAs, although more than 36 per cent found having staff on FWAs manageable.
- 77. The management issue was also raised with the Inspector in the interviews. In many United Nations system organizations, managers are hired for their technical skills and they usually lack managerial experience. Managing is generally perceived as an HR issue, something that HR departments should deal with. The Inspector is of the view that managers must step up to the plate, manage their workloads and their staff, take hard and unpopular decisions, as needed, and be accountable. Accountability does not stop with the managers, however. Staff also must be held accountable for their outputs.
- 78. Training will empower managers to manage their staff and make them accountable for their own outputs. Organizations need to move from micromanagement to results-based management: the notion that presence in the office is what matters should be dispelled; presence does not mean that an employee is

working. The Inspector is not suggesting that manager training be solely focused on FWAs, but rather on how to manage staff, based on deliverables.

- 79. If a manager denies a staff member's request for an FWA, the reason should be based on operational requirements. If the staff member is not satisfied with the manager's decision, in most organizations, recourse should be sought from the first-line supervisor, and subsequently, the director. In some organizations, the HR department plays the role of mediator, in others, the HR department only provides advice and/or clarification on policy implementation. The Inspector is of the view that HR should only play an advisory role. In all cases, it is the director who should make the final decision.
- 80. It is expected that the implementation of the following recommendation will enhance the efficiency and improve the effectiveness of the management of flexible working arrangements.

#### **Recommendation 2**

Executive heads of the United Nations system organizations should institute training courses, within existing resources, for managers on how to manage employees on FWAs in a results-based organization. Such training should be incorporated into the general managerial training.

# VI. NEED TO HARMONIZE FWAS ACROSS THE UNITED NATIONS SYSTEM

- 81. The Inspector was interested to know how many days off the United Nations system organizations granted its staff members per year. Thirty working days of annual leave are the standard and there are ten public holidays system-wide (nine at ILO). In addition, most organizations allow seven days of uncertified sick or family leave and some organizations (ILO, UPU, WIPO) also offer paid study leave. As a result, staff members at the United Nations system organizations (FAO, ICAO, IMO, the United Nations Secretariat, UNDP, UNEP, UNESCO, UNFPA, UNICEF, UNOPS, UNRWA, UN-Habitat, UNWTO and WFP) have at their disposal a minimum of 47 days off.<sup>16</sup>
- 82. The possibility of accruing credit hours and taking an additional 13 days off under flexitime increases the flexibility to 51.5 days off at WMO; 53 at UNHCR; 55 at UNIDO; 56 at WIPO; 57 at IAEA; 59 at WHO, UPU and ILO; and 60 at ITU. Despite there being no uniformity across the system, this is a significant amount of time off overall. Allowing an automatic accrual of credit hours to all or large groups of staff across an entire organization, instead of on a case-by-case basis, is tantamount to promulgating a policy of increasing staff's annual leave entitlement. The staff at the organizations where this is practiced consider time off for credit hours as an entitlement, which it is not.
- 83. It could be said that the accrual of credit hours for days off under flexitime is a type of compressed work week and that granting flexitime on a large scale enables organizations to save on administration and logistics costs. However, large-scale flexitime is at the expense of managers losing managerial authority over their staff, because the staff feel that they are entitled to the days off for the credit hours they accrue. Furthermore, the Inspector found that flexitime encourages inefficiency and under-performance. The Inspector is not proposing the discontinuation of the compressed work week option, however, allowing large groups of staff across an entire organization to automatically accrue credit hours in exchange for days off is a costly "perk" and one that should be eliminated as any flexible working arrangement should be made on an individual basis between the manager and the staff member, and in the interest of the organization.
- 84. The possibility of accruing credit hours for days off is not an option in the majority of the organizations. The United Nations Secretariat has eliminated it in a number of entities where it was in place. No organization was able to explain to the Inspector the original basis for the option. The only explanation offered was that it had been like that since it was introduced; in some instances it had been modified over the years, but no one knows why nor how any such determinations for the original limits of credit hours worked/days off were made.

<sup>&</sup>lt;sup>16</sup>47 days equals 30 days annual leave + 7 days uncertified sick leave + 10 days public holidays.

<sup>&</sup>lt;sup>17</sup>60 days equals 30 days annual leave + 10 days public holidays + 7 days uncertified sick leave + 13 days flexitime.

85. It is expected that the implementation of the following recommendation will enhance the efficiency and effectiveness of flexible working arrangements.

#### **Recommendation 3**

Executive heads of the United Nations system organizations which offer flexitime should eliminate, without delay, the practice of allowing large groups of staff to automatically accrue credit hours in excess of the normal working hours per week in exchange for extra days off.

- 86. The Inspector noted that a plethora of terms were used to describe a same flexible working arrangement scenario. For example, teleworking and telecommuting both refer to flexibility in place of work; staggered working hours, flexible work schedule, flexitime working hours, special arrangement of hours of work, flexitime, flexible working hours, variable day schedule, compressed work week, time off for study purposes, etc., all refer to flexibility in hours of work (see paragraph 36 above).
- 87. Based on the responses to the open-ended questions in the survey, most staff do not know what terms are used to describe the various flexible working arrangements even in their own organizations. Furthermore, there is little to no understanding of the difference between work-life balance issues and flexible work hours. The Inspector is of the view that there is need for a common definition of flexible working arrangements in the United Nations system.
- 88. It is expected that the implementation of the following recommendation will enhance the efficiency of flexible working arrangements.

#### **Recommendation 4**

The CEB, through its HLCM and HR Network, should, without delay, agree on one definition and one term for flexibility in hours of work (e.g. flextime), and one definition and one term for flexibility in place of work (e.g. telecommuting). There should be a common understanding of what these arrangements are.

# VII. NEED FOR TWO POLICIES: ONE FOR HOURS OF WORK AND ONE FOR PLACE OF WORK

- 89. The Inspector found that existing FWA policies either deal with hours of work or place of work. In most organizations, the policies in place have limited flexibility. Existing and new options under consideration attempt to satisfy the majority of staff but there is no one-size-fits-all solution, as each staff member and each organization's circumstances differ. While increasing flexibility, the options offered or under consideration also limit flexibility, as they are variations on an existing theme with added strictures of what is or is not allowed. When spelled out in a policy document, the options become limited for example, staff may telecommute two days a week, but not four half-days. In the Inspector's view, such restrictions defeat the purpose of flexibility. If a specific circumstance is not spelled out or contained in the policy document, then it is not available to staff.
- 90. The Inspector believes that the purpose of a policy is not to provide exact specifications for each possible arrangement, as is the case now, but rather to provide an overall parameter within which individual arrangements can be made, based on the staff member's needs, work requirements, and the agreement between the staff member and his or her supervisor. Organizations should simply extend the hours during which staff may work by extending the business hours of the organization. The Inspector is convinced that this would not only allow for a better work-life balance for staff, but that it would also be beneficial to the organization, since it would be open for business longer, and thus can provide longer and better client service. The Inspector does not see the need for defining core hours in an organization, and notes that at some point, most staff will be in the office during what is considered "normal business hours." Regardless of whether core hours are in place or not, staff on any flexible working arrangement, be it flextime or telecommuting, must be available to attend meetings, even if it means they must come to the office when they otherwise would not.
- 91. The proposed new FWA policy for hours of work would consolidate and accommodate existing provisions, as they all relate to hours worked, including compressed work week(s), time off for study purposes, staggered working hours, variable hours, etc. For example, a staff member working "10 days in 9" could ask his or her manager to take the 10th day off on a Wednesday, or half days off on Thursday and Friday, or any other combination that can be mutually agreed. In that way, he or she would not be limited, as is the case now in many organizations, to simply taking a full day off on a Friday.
- 92. With such flexibility, work schedules would be based on 40-hour (one week) or 80-hour (two weeks) time periods (or 37.5 and 75, or 35 and 70) and approved by the managers. They would no longer be spelled out as a limiting factor. In short, the Inspector suggests that the business hours be changed to 7:00 a.m. to 7:00 p.m., Monday through Friday, for example (the buildings are normally open then regardless). In that way, staff could arrange their working hours to suit them and the duties they must perform, in concert with their managers. Any work performed before or after the business hours would have to be approved beforehand by the managers,

and would be considered overtime. There would be no possibility of automatically accumulating credit hours for days off by large groups of staff, as is the case now. Arrangements would have to be made on an individual basis so as to ensure productivity.

- 93. It could be argued that these arrangements already exist in organizations which practice flexitime. The difference between what the Inspector is suggesting and flexitime is the individual arrangement between staff member and manager versus the organization-wide (as at UNIDO) or staff category-wide (for example, GS staff at ILO, staff at P5 and below at WIPO and WMO) application of flexitime. The Inspector opposes the latter practice because experience has shown that it encourages inefficiency and is simply a way of increasing the annual leave entitlement. The Inspector firmly believes that managers need to have the means to manage their staff and reward good performance. This can only be done if arrangements are discussed on individual basis.
- 94. Similarly, telecommuting, teleworking and other possibilities of hoteling and hot-desking all can be subsumed under one policy dealing with place of work. The overall parameters still need to be set and should suit the best interest of the staff member and the organization. Naturally, some jobs do not lend themselves to telecommuting, while others can be performed anywhere. In addition, some staff members are capable of working independently, while others are not. Therefore, common sense in applying the policies is required.
- 95. The Inspector encountered a concern for the so-called Appendix D in one of the interviews. Admittedly, this appendix, which deals with coverage in case of death, injury or illness resulting from accident while working, should be considered; however, it is not a reason not to allow telecommuting. Organizations have successfully dealt with the matter <sup>18</sup> and the Inspector does not consider it an issue.
- 96. Within the parameters set for the policies for hours of work and place of work, and bearing in mind the best interest of the organization, the Inspector considers that it is possible for a staff member to combine telecommuting (place) and flextime (hours) and any number of variations within and among the two policies could be considered. However, such variations, as well as the details of any flexible working arrangement would have to be discussed and agreed by the manager and the staff member concerned. United Nations system organizations would be on an equal footing, which would allow for better retention of staff, as the organizations would not be competing with each other. While the overall policies for hours of work and for place of work should be broad and uniform, each organization, including those with field-based operations, is best positioned to tailor requests to fit its particular mandate and circumstances. Managers/supervisors are best suited to tailoring requests to fit the needs of their staff and their offices. In some cases, the arrangement chosen will

<sup>&</sup>lt;sup>18</sup> For example, refer to the following policies on telecommuting: UNICEF, Flexible Workplace (CF/AI/2008-007) amended 22 February 2011; FAO Manual, Chapter III - Personnel, Section 327 - Flexible Working Arrangements, 25 March 2009; IAEA AM.II/5, III, 2011-10-27; ILO Office Procedure Number 141, 1 February 2010;

depend on location, cultural circumstances and traditions, security situation, the labour market, etc.

97. It is expected that the implementation of the following recommendation will enhance the efficiency and effectiveness of flexible working arrangements.

## **Recommendation 5**

The CEB, through its HLCM and HR Network, should, without delay, promulgate two policies: one for flextime <u>and</u> one for telecommuting.

#### VIII. ARE FLEXIBLE WORKING ARRANGEMENTS OUTDATED?

98. During the interviews, the Inspector learned about the following alternatives to flexible working arrangements in other organizations:

99. Deloitte graduated from FWAs to the Mass Career Customization programme, <sup>19</sup> which allows its employees to dial their careers up or down. The programme recognizes that employees' career paths no longer resemble a straight climb up the corporate ladder; instead, today's careers traverse a lattice with up, down, lateral or diagonal moves. The programme requires managers and employees to have periodic conversations to discuss their careers and ways to optimize their career paths according to their life priorities and business circumstances. Dialling up offers employees an opportunity to take on more responsibility, thereby giving them a richer, broader experience. The conversations do not necessarily mean that every employees' time and work load will be dialled up or down. The conversations are an opportunity to find out what employees' objectives are and provide a scalable means to accommodate them for periods of time so that they stay with the organization. In Deloitte's experience, at any given time, few people are dialled up or down, but the possibility of changing their work profile when and if their needs change is valued even by those who have never exercised the option.

100. PricewaterhouseCoopers (PwC) Switzerland offers annual hours contracts (for example, if an employee is supposed to work X number of hours per day and Y number of days per year, his or her annual hours contract will be for X times Y number of hours). The nature of the work PwC employees perform requires them to fill out time sheets by the hour for billing purposes. There are business peaks and troughs for all jobs. For example, auditors are busiest and work long hours during the so-called "busy season." An annual hours contract allows them to balance their hours out of the busy season when work requirements slow down. This promotes a culture of self-management and no micro-management, in which work deliverables come first.

101. Nestlé S.A. introduced FWAs in the desire to improve gender balance, but quickly realized that men need flexibility as much as women. Nestlé's overall policy "Flexible Work Environment at Nestle" <sup>20</sup> provides guidelines for FWAs. Each region or market may use the guidelines to suit their needs locally and based on local legislation, culture, etc. Individual regional policies are complementary to the overall corporate policy. Through the application of FWAs, Nestlé found that their employees are more productive when they are allowed to do things differently. The company conducted a survey on FWAs and found that some managers are reluctant to approve them; the company is currently trying to overcome these barriers through education and by setting the tone from the top. It has obtained testimonials from senior managers who work flexibly.

<sup>&</sup>lt;sup>19</sup> See Mass Career Customization at http://www.masscareercustomization.com/.

<sup>&</sup>lt;sup>20</sup> See http://www.nestle-nordic.com/NR/rdonlyres/B8E83CD3-BF8B-47BD-A194-FBAD9FB271C5/0/flexible\_work.pdf.

102. The Inspector considers, and it was confirmed in the interviews, that flexible working arrangements are not at all outdated. What is outdated is the idea that only women want FWAs, and the reasons why an employee may want to avail him or herself of FWAs. If the job allows for a flexible working arrangement, if the employee can perform the work requested and if the work deliverables can be produced, the gender of the employee and the reason why he or she is requesting an FWA do not matter. What matters is that the job is done well and in a timely manner. This is where a sea change in attitude is required in the United Nations system organizations. Managers need to use common sense with regard to approving FWAs; the paramount consideration must be the interest of the organization.

103. The Inspector reiterates what most of the organizations now understand and follow: that the approval of FWAs should be gender and reason neutral. For this to happen, the thought culture of the managers in the United Nations system organizations needs to be changed and staff need to be allowed flexibility in both hours and place of work if needed. Reportedly, managers resist approving FWA requests because of their individual management style, perception, and age. It seems that the managers' greatest concern is that if an employee is out of their sight, he or she is not working. Indeed, managers need to learn to trust their staff, to hold them accountable for their work and to manage deliverables. Managers need to manage. As far as practicable, meetings should be planned in advance. However, when this is not possible or when other exigencies of the service arise, staff need to understand that they may be called into the office with their presence compulsory. FWAs are not an entitlement. They simply enable work-life balance which should be respected as far as practicable.

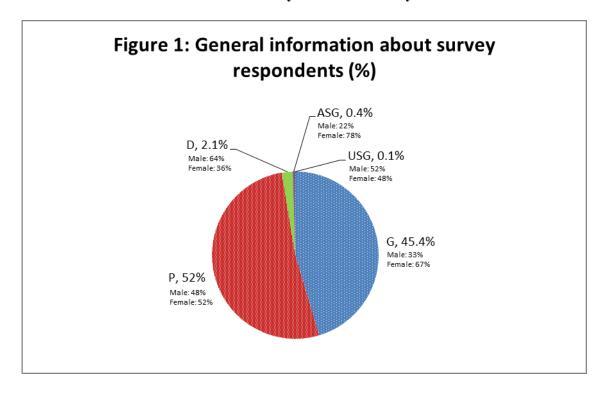
Annex I Overview of FWA policies

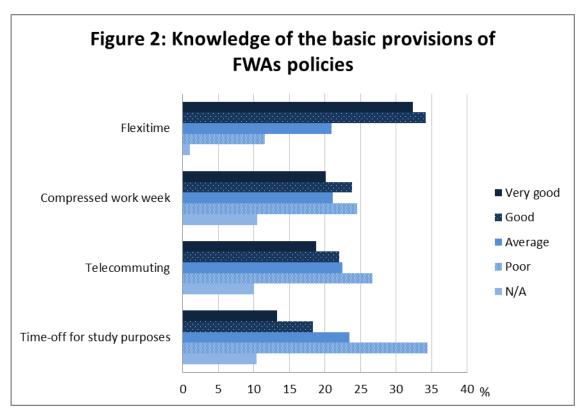
ORGANIZATION	YEAR OF FWA INTRODUCTION	FLEXI-TIME	STAGGERED HOURS	TELECOMMUTING	COMPRESSED WORK WEEK	TIME-OFF STUDY
FAO	1991 staggered hours	No	Yes (flexible work schedule)	Yes	Yes	No (10 days available under a non-FWA policy)
IAEA	1976	+16/-12hrs; 10 days off/year; clocking system	No	Yes	No	No
ICAO	2009 staggered hours	No	Yes (flexi-time working hours)	No (only on an exceptional basis)	No	No (only on an exceptional basis)
ILO	1974 flexible working hours	GS staff, +10/- 10hrs; 13 days off/year; time sheet system	Considered normal working hours, not part of FWA policy	Yes	No	No (10 days available under a non-FWA policy)
IMO	1995 staggered hours	No	Yes (special arrangement of hours of work)	No (only for medical reasons)	No	No (7 days available under a non-FWA policy)
ITU	1973 flexible working hours	Flexible work schedule policy: +10/-10 hrs; 13 days off/year; honour system	No	Yes	No	Yes
UN SECRETARIAT	1995 staggered hours, 2003 for all other FWAs	UNOV/UNODC: suspended as of 1 April 2012	Yes	Yes	Yes	Yes

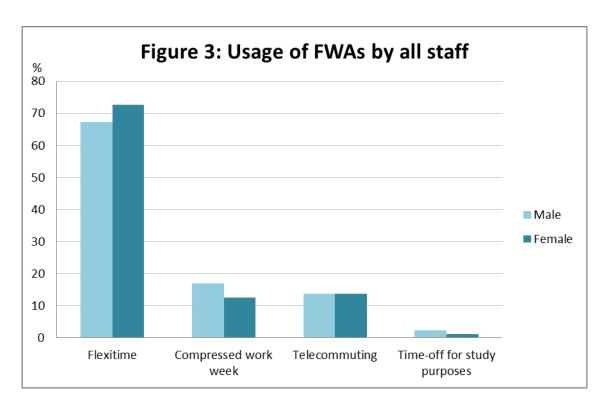
ORGANIZATION	YEAR OF FWA INTRODUCTION	FLEXI-TIME	STAGGERED HOURS	TELECOMMUTING	COMPRESSED WORK WEEK	TIME-OFF STUDY		
UN WOMEN			Foll	ows UNDP's FWAs po	licy			
UNDP	1999 FWA policy	, , , , , , , , , , , , , , , , , , ,						
UNEP	2003	No	Yes	Yes	Yes	Yes		
UNESCO	N/A	No (only exceptional cases)	No	No (only exceptional cases)	No	No (an employee can take special leave without pay for study reasons)		
UNFPA	2001 work and life programme	No	Yes (flexible working hours)	Yes	Yes	Yes		
UNHCR	1977 flexitime	+10/-10hrs; 6 days/year; time sheet system	Yes (staggered hours and variable day schedule)	Yes	Yes	Yes		
UNICEF	2003 FWA policy	No	Yes (staggered hours and variable day schedule)	Yes	Yes	Yes (under variable day schedule)		
UNIDO	1997 flexitime	+16/-16hrs; 8 days/year; clocking system	No	No	No	No		
UNOPS	2009 FWA policy	No	Yes (flexible working schedule)	Yes	Yes	No (available under a non-FWA policy)		
UNRWA	2010 pilot on telecommuting	No (only during Ramadan)	No (only informal arrangements)	No	No	No		

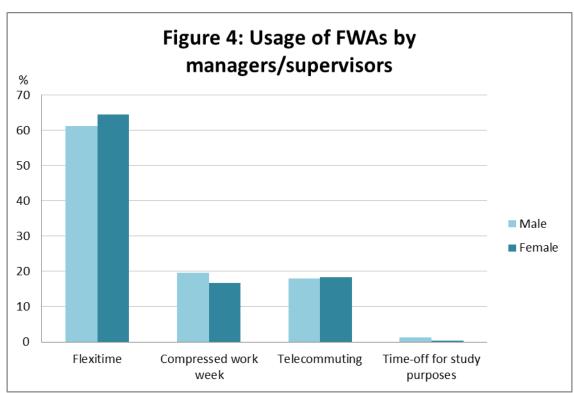
ORGANIZATION	YEAR OF FWA INTRODUCTION	FLEXI-TIME	STAGGERED HOURS	TELECOMMUTING	COMPRESSED WORK WEEK	TIME-OFF STUDY
UNWTO	N/A	No	Considered normal working hours, not part of FWA policy	No	No	No (available under a non-FWA policy)
UN-HABITAT	2003	No	Yes	No	No	Yes
UPU	1990 flexitime	P4 and below: +20/-12hrs; 12 days/year; clocking system	No	No	No	No
WFP	1999 flexitime	No	Yes (flexible work schedule)	Yes	Yes	No (available under a non-FWA policy)
WHO	1976 flexitime	+8/-8hrs; 12 days/year; time sheet system	No	No (policy is under development)	No	No (available under a non-FWA policy)
WIPO	1983 flexitime	P5 and below: +16/-10hrs; 9days/year; clocking system	No (only during heat- wave)	No (only for medical reasons)	No	No (available under a non-FWA policy)
WMO	1970s flexitime	P5 and below: +10/-10hrs; 4.5 days/year; clocking system	No	No	No	No

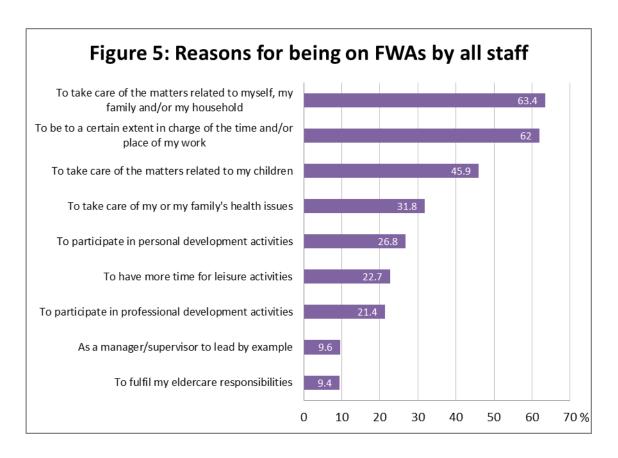
Annex II Results of the system-wide survey

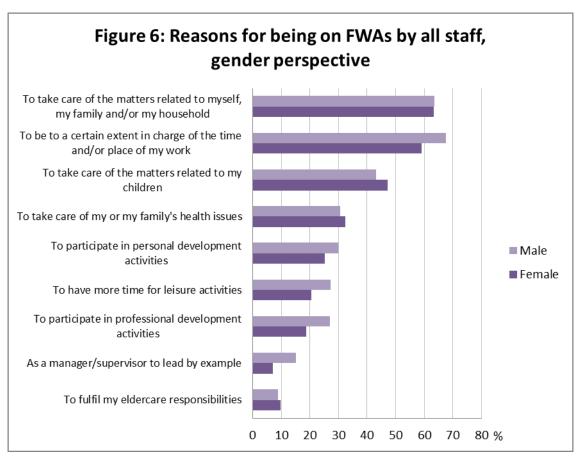


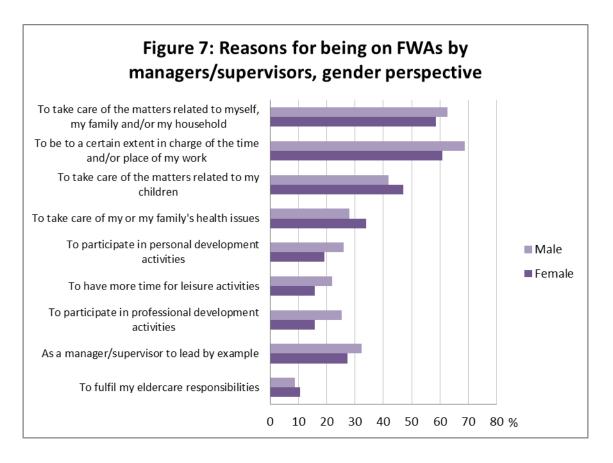


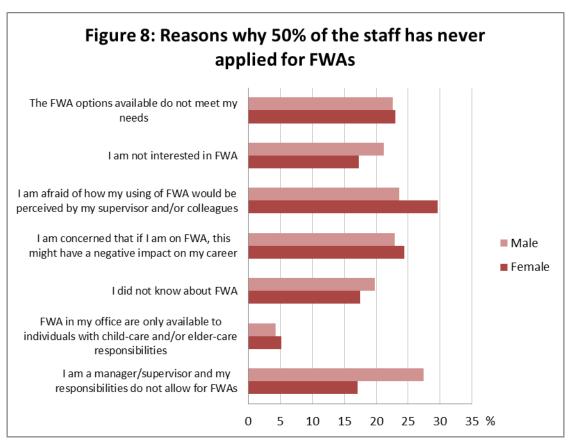


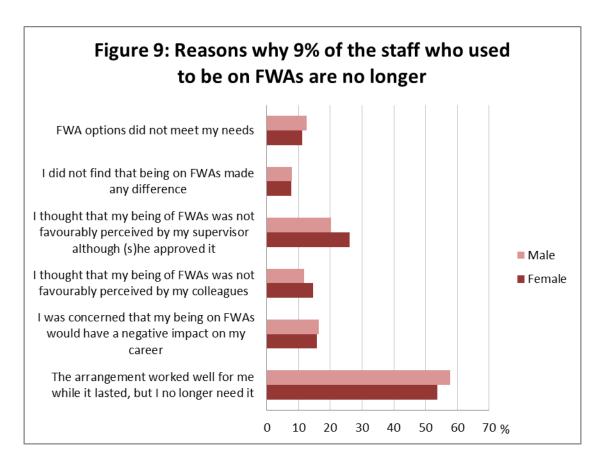


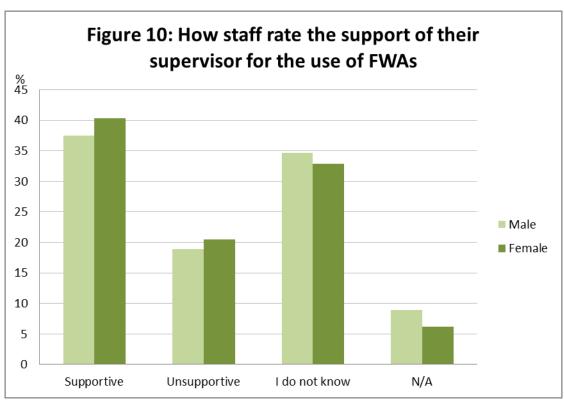


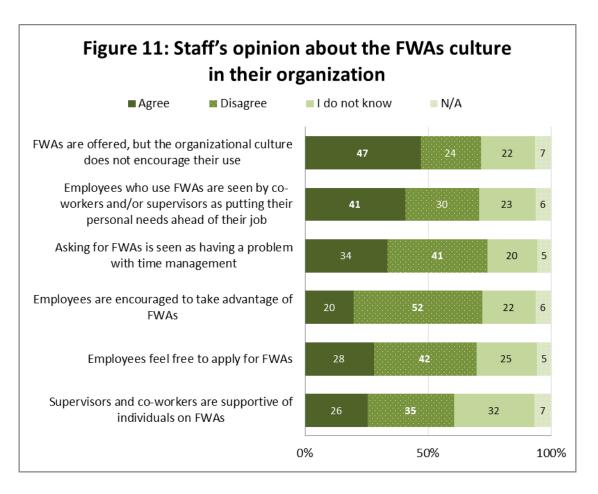


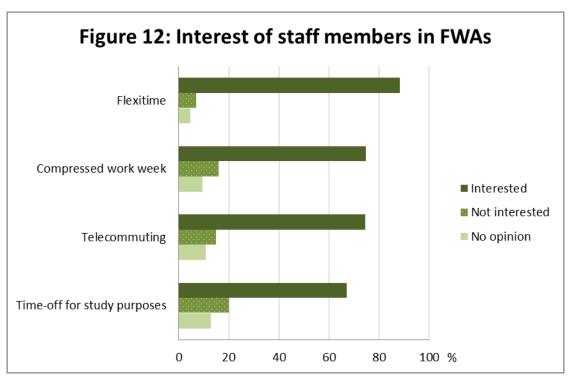












Annex III
Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit JIU/NOTE/2012/4

				U	nited	l Na	tions	s, its	fun	ds ar	ıd pı	rogr	amn	ies				Spe	cializ	zed a	genc	ies ar	nd IA	EA			
		Intended impact	CEB	United Nations*	UNEP	UN-Habitat	UNHCR	UNRWA	UNDP	UNFPA	UNICEF	WFP	UN Women	NOPS	ОП	FAO	UNESCO	ICAO	МНО	UPU	<b>OLI</b>	OMM	OMI	OdIM	OMNO	UNWTO	IAEA
Report	For action			$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$		$\boxtimes$
Rep	For information																										
Recomm	endation 1	g																		E		E		Е	Е		E
Recomm	endation 2	g		E	E	Е	E	E	E	E	E	E	E	Е	E	E	E	Е	E	E	Е	Е	Е	Е	Е	Е	E
Recomm	endation 3	g					E								E				E	E	E	E		E	E		E
Recomm	endation 4	g	E																								
Recomm	endation 5	g	Е																								

<sup>:</sup> Recommendation does not require action by this organization Intended impact: a: enhanced accountability b: dissemination of best practices c: enhanced coordination and cooperation d: enhanced controls and compliance e: enhanced effectiveness f: significant financial savings g: enhanced efficiency o: other.

<sup>\*</sup> Covers all entities listed in ST/SGB/2002/11 other than UNEP, UN-Habitat, UNHCR, UNRWA.