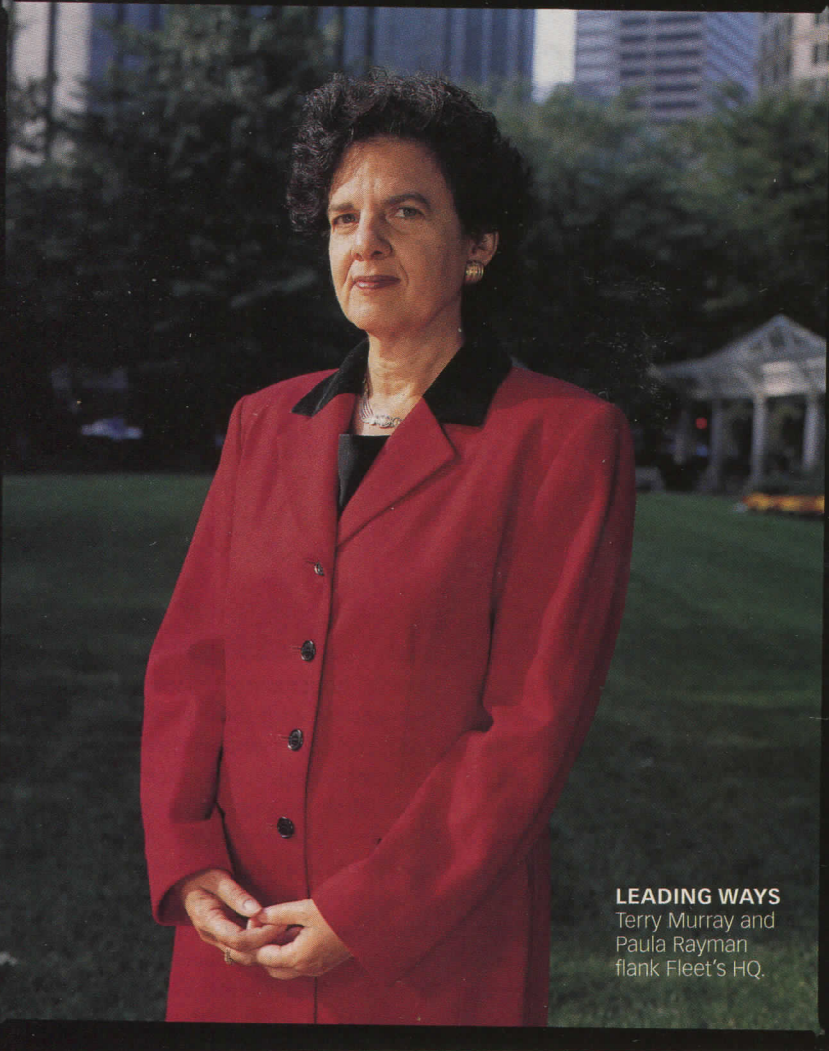


“Prove It!”

THE ARGUMENT THAT CONVINCED THIS CEO TO TAKE HIS COMPANY FROM RIGID AND INSENSITIVE TO FLEXIBLE AND FAMILY-FRIENDLY BY ANNE CASSIDY

THREE YEARS AGO, TERRY MURRAY, CHIEF EXECUTIVE OFFICER of Boston-based Fleet Financial Group, attended a business meeting as a guest of his wife, Suzanne, a trustee of Radcliffe College. There he heard Paula Rayman, director of the Radcliffe Public Policy Center, give a speech. “If businesses in America want to face the global challenges of a world economy,” she said, “they need to redesign work so it enhances both productivity and family life.”



LEADING WAYS
Terry Murray and Paula Rayman flank Fleet's HQ.

good for the bottom line." Then he added, "I want research. I want hard measures at the end." He gave Rayman a year to complete the project, not long for such a bold plan. But Rayman was up to the challenge. "If our plan could work at Fleet—white male, suits, very traditional—it could work at any company in America," she says.

Setting the Strategy

RAYMAN ASKED LOTTE BAILYN, a distinguished work/family expert and MIT professor, to help her lead the project. Next up: selecting two Fleet units to put under the microscope. Rayman, Bailyn, and Szostak chose a 20-employee group that had recently moved from headquarters in Boston to the suburb of Framingham, and a 35-person group in Providence, Rhode Island. Framingham is one of Fleet's regional underwriting hubs; employees there are responsible for securing loans for small businesses. The Providence team does complex financial analysis, produces quarterly corporate loan reports, and helps write loan policy.

With the two sites selected, the brainstorming began. This worried Terry Murray: "I was concerned that the initial employee meetings not become gripe sessions," he said.

But they didn't. At separate meetings, Framingham and Providence staffers described the main issues they faced and how they knew they'd had a productive day. They also talked about how they balanced (or didn't) work and family. The employees divided themselves up into small groups to brainstorm solutions both to productivity issues and work/family concerns.

The Framingham employees wanted to alleviate some of the long commutes caused by the recent relocation of their office. They also realized that far too much administrative work was

It was a subject very much on Terry Murray's mind.

Like many companies in the 1990s, Fleet had grown quickly. In the early eighties, with Murray at the helm, Fleet was a single bank in Rhode Island. By 1997 it had acquired or merged with over 75 banks to become the largest bank in New England (it has since announced another large merger, with BankBoston). To keep itself in fighting trim, layoffs and long hours were common. Fleet was seldom, if ever, described as family-friendly.

When Murray met Rayman after her speech, she recalls his saying: "What you're proposing is very provocative, but I'm a skeptic. I'd like to believe you can have a win-win equation. But you have to show me." Still, he was

interested enough to invite Rayman to talk further.

That's when Rayman began to learn the extent of the problem. Fleet's senior vice president for human resources, Anne Szostak, revealed that turnover at the branches, for example, hovered around 30 percent and cost the firm hundreds of thousands of dollars annually. Rayman used these figures to bolster her point: that happy employees make productive companies, but unhappy employees cost money.

Murray's response: "Prove it! Prove that what's good for work and family is

first flexibility

The percentage of companies that offer these options:



Flexitime

79%



Part-time work

66%

being dumped on underwriters, creating backups and overtime demands. To address this, the team came up with ways to rebalance work loads among the entire staff.

Meanwhile, employees in Providence's financial reporting system unit were struggling to integrate the new accounting and computer systems of recently acquired banks. Feeling stressed—and in danger of burning out—they proposed instituting flex-time and telecommuting to relieve some of the pressure. They also came up with ways to streamline work processes, such as internal requests for information.

At each site, employees suggested not only traditional work/family solutions, such as increased flexibility, but also changes in the way they performed and organized their work. These spoke to the very heart of the experiment: that the connection between work and home is so profound and multilayered that changes in workflow—such as where, when, and by whom it's done—will lessen tensions at home.

With these new ideas in hand, the researchers created several tools to get Murray the proof he'd demanded. Employees in the experimental group would keep diaries of work and family life, managers would assess the experiment in terms of productivity, and researchers would take "before" and "after" measures at both sites. At the end of the experiment, researchers would compare turnover rates between experiment participants and those in the control groups, which consisted of employees in the larger units at Framingham and Providence.

Before: Stressed To the Max

AT BOTH SITES, preliminary interviews and a questionnaire revealed a well-educated, professional staff accustomed

One Flextimer's Story

WHEN KIM SMALL, senior project coordinator of asset quality reporting, began working for Fleet in 1992, she assumed that she would put in **long hours**. The bank wasn't known for being family-friendly. But in 1996, when Small, newly married and planning to start a family, joined the Portfolio Management group, she hoped that if she worked hard to prove herself, **she'd earn flexibility** once she had a baby. She had no idea that her employer was about to undergo a change for the better.

SMALL'S DEPARTMENT in Providence, Rhode Island, became one of the first to experiment with work flexibility. **When the project began**—before she had any children—she telecommuted one day a week from home. "Now that I have my daughter [Abigail, 14 months], I work four days a week and take Mondays off to be with her," Small explains. With three people reporting to her and deadlines to be met, she crams a **full 40 hours of work** into those four days. At hectic times, rather than stay late at the office, she still leaves work at five p.m., then works at home in the evening.

SMALL REPORTS that her group's added flexibility has raised morale throughout the department. Most of all, she declares, it makes her feel like a **more balanced person**. It can be grueling to manage work, family, and another baby on the way, but, she says, "It's all worth it for that **extra day off** on Monday." —*Danielle Schluss*

to putting in long hours both at the office and at home. "People work very hard, but that's the Fleet culture," said Dale Bengtson, underwriting manager for small business specialized lending, based in Framingham. "We demand a lot. It's not a laid-back environment."

The move from Boston to Framingham made the situation even tougher. "There isn't as much public transportation in Framingham, and the average commute is close to an hour for some people, for others even more," said a senior manager. "You could see the staff getting tired after the move."

The work environment was even more intense in Providence. One observer called it a "frenzied" place. Executive credit officer Tom Freeman said that for the six weeks of each quarterly reporting cycle, "there's a level of intensity that requires people to work more hours, and stress levels escalate."

Results of a questionnaire sent to all Framingham and Providence employees (including those in the experimental and control groups) supported these observations. All the respondents worked full time and 40 percent worked

over 50 hours a week. Two thirds were not satisfied with their work/family balance, and those who worked more than 45 hours a week at the office were much more likely to experience work/family conflicts. Seventy-seven percent said they spent less time on their own needs than they'd like to; 48 percent said they missed work because of personal issues, and 29 percent said they suffered from health problems. Fleet employees complained most about their work load and commutes.

During: Working Through Change

A KEY MOVE AT FRAMINGHAM was the decision to reallocate the task of writing loan commitment letters. Employees suggested that administrative assistants take over this task. Management agreed and brought in two new administrative assistants. "The quality of our lives improved tremendously" after this change, says Bengtson. Giving this necessary paperwork to the assistants freed up the underwriters to focus on their core jobs.

Still, no one said overhauling Fleet would be easy—and it wasn't. Telecommuting, for example, proved difficult to implement at Framingham. "I was discouraged. Telecommuting was not as instantaneous as I thought it would be," said one underwriting manager. At first,



Job sharing
40%



Telecommuting
35%



Compressed workweeks
29%

SOURCE: HEWITT ASSOCIATES.

there were logistical and security issues involved with linking into the main-frame computer from home.

Of the 35 employees in Providence, half decided to telecommute a few days a week and two thirds tried flextime. But the three-month trial fell during a particularly difficult quarter, and there was resistance all around. Telecommuters had to plan their workdays around those of the other seven to nine people on their teams who were in the office. Managers had to design workflow to make sure that everyone in the group could stay in touch and meet all the deadlines.

A near-catastrophe finally made true believers out of the Providence employees. One day that summer, the computer network in the office broke down. The only programmers who could hook into their work were the ones at home. So Maria Barry, one of the Providence managers, told all her employees, "Go home and we'll tell you when to come back." Hurrah! "It was like that line from *My Fair Lady*—

'By George, she's got it,'" Rayman says. "It moved the whole thing from skepticism to 'I think this can work.'"

After: Sleeping Easy

IN THE END, the Providence flextime and telecommuting project was a success by several measures. Employees rated the experiment an 8 on a scale of 1 to 10, and those who began using flextime reported a greater sense of control over their jobs. They also found that working together in a flexible environment required greater communication, which meant that they got to know what their colleagues were doing. Family members who were interviewed by researchers noted that their loved ones were working fewer long hours.

Measuring productivity was a more difficult task at the Providence location, thanks to a personnel shortage and a special project that came along during the trial period. Still, employees were

positive. They felt their greatest achievement was their ability to keep up the pace—and in some cases even improve it—while achieving a better balance of work and family.

"I telecommute one day a week now," says Maria Barry, who has two young children and is now director of Fair Lending and CRA (Community Reinvestment Act, a federal law that requires banking institutions to take affirmative steps to help meet the credit needs of their local communities). "I find it to be extremely helpful. I have a chance to think strategically and do a lot more planning. It helps me to be more effective when I'm in the office. Also, since I can work without interruption at home, I have less work to do on the weekend. That gives me more time with my family."

The news was good in Framingham, too. On a scale of 1 to 10 the changes in administrative duties received a rating of 8.8—from underwriters and managers alike. Underwriters estimated that having administrative assistants compose

When your kids fight, our seats take sides.



commitment letters saved them up to an hour a day. The sales staff was happy because loans were approved more quickly. And the turnaround time on loans was still at or above 80 percent, a key goal.

The biggest and most unexpected improvement of all, however, was that Framingham employees were sleeping better. When the "after" questionnaires were tallied, the number of employees who said they "sometimes" or "frequently" had disturbed sleep (a common sign of stress) fell from 79 percent to 50 percent. "The sleep finding was a total surprise to us," says Rayman. "It was also the finding that most impressed the senior management board at Fleet. It was so easy to see that if you could reduce sleep disturbances, that had an immediate, positive impact on the quality of work. If people are tired and stressed they're going to make mistakes."

This was just the kind of finding everyone was hoping for. And it illustrated perfectly the premise of the experiment: You can improve work/family life and productivity at the same time.

The two don't have to be mutually exclusive, or, as Szostak said, a see-saw where Fleet (or work) is up and employees (or life) are down—or vice versa.

A year later, at the end of the project, Szostak and Rayman planned a party for the two units. "No matter what happened, whether this program was a failure or a success, we wanted the employees who'd put their blood, sweat, and tears into it to feel appreciated," Rayman said. When the project results came in, the party turned into a big celebration at Fleet's headquarters in downtown Boston.

Also, at Murray's invitation, Rayman formally presented the highlights of the study at a meeting of Fleet's top execs. "That's when people began to really comprehend what we were doing," she says. "They began to see it in terms they could understand, depending on which hat they wore. The head of commercial banking, for example, saw how some of the issues raised in the Framingham group could relate to his staff in terms of turnover."

Company-Wide Change

DUE TO THE SUCCESS of the initial trials, Fleet set up four more trial sites. The effects of this study are now rippling out to all 35,000 Fleet employees, who are enjoying vastly increased flexibility and other family-friendly benefits. In 1999, Fleet achieved a major goal: being named to the WORKING MOTHER list of 100 Best Companies for Working Mothers.

Today, Murray is a self-confessed convert to the power of family-friendliness. "From my perspective, if the work gets done and people are happy it doesn't matter if a particular person is telecommuting one day a week or working out of a site closer to home," Murray says. "What impresses me is how enthusiastic our employees are. Morale is good and the work is getting done." **wm**

Anne Cassidy is the author of Parents Who Think Too Much (Dell Trade Paperbacks).

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