

Flexible by design: Developing human resource policies and practices that provide flexibility through the uncertainties created by a pandemic

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**FLEXIBLE BY DESIGN: DEVELOPING HUMAN RESOURCE POLICIES AND
PRACTICES THAT PROVIDE FLEXIBILITY THROUGH THE UNCERTAINTIES
CREATED BY A PANDEMIC**

Rudolph et al. (2020) correctly asserted that the COVID-19 pandemic has created a need for human resource (HR) professionals to reconsider standing policies in order to meet the changing and unpredictable needs of employees during this time. Their discussion on HR policy, however, lends itself towards addressing immediate and specific challenges created by the pandemic, but provides little guidance or insight as to how HR practices should be adjusted to support the flexible and evolving needs of employees and organizations over the course of this global crisis. For example, the paper recommends that employers negotiate idiosyncratic deals with employees to help them adjust to a set of unprecedented circumstances. While such an arrangement may be appropriate for reacting to urgent needs created by a crisis, arrangements such as idiosyncratic deals respond to immediate needs rather than preparing for uncertainties of the future. Crises involving extended periods of uncertainty require that HR professionals proactively evaluate and adjust practices and policies in such a way that they will provide the flexibility necessary for all employees to succeed as unpredictable circumstances present themselves.

Moving beyond idiosyncratic deals with flexible work arrangement policies

Rudolph et al. (2020) argue that idiosyncratic deals are an appropriate tool for HR departments to address issues of work-family conflict that arise out of a pandemic. The challenge with this proposal is that a pandemic influences the personal aspects of the lives of *all* employees. By definition, however, idiosyncratic deals are negotiated individually and typically reserved for top-performing employees (Rousseau et al., 2006). Rousseau et al. (2006) reasoned

that because idiosyncratic deals are a privilege granted to the most valuable employees, those whose performance is more easily quantifiable (e.g. salespeople) are more likely to be granted deals than those whose output is more ambiguous (e.g. administrative support). This matter is further complicated by findings that employees lacking in personal initiative are less likely to request idiosyncratic deals than their high-initiative counterparts (Hornung et al., 2008). Taking this knowledge into consideration, it seems apparent that implementing idiosyncratic deals will only address work-family conflict issues arising from the pandemic for a select few employees.

It is also prudent to address that it is an employee's *perceived* value to the organization, not actual value, that influences the outcome of idiosyncratic deal negotiation. Because evaluators often discount the contributions of racial and ethnic minorities to their organizations' success (e.g. Carton & Rosette, 2011; Greenhaus & Parasuraman, 1993), it is probable that members of these groups may be unjustly perceived as less valuable than their White counterparts. Consequently, racial and ethnic minorities may receive less favorable outcomes when negotiating idiosyncratic deals. In addition to influencing employee satisfaction and motivation, systematic inequitable distribution of idiosyncratic deals could put organizations in a position liability for violation of equal employment opportunity law. As the COVID-19 pandemic has coincided with a mass recognition of racial inequities, idiosyncratic deals that result in workplace inequities may be more likely to result in EEOC complaints, litigation, and bad press than they would have been in the past.

It is also critical to consider the purpose of idiosyncratic deals and how their purpose aligns with the needs created by a pandemic. Idiosyncratic deals have not traditionally been available to all employees because their purpose has been to attract and retain top talent (Rousseau et al., 2006). The COVID-19 pandemic has seen an increase in unemployment

resulting from hiring freezes and downsizing across industries, indicating that the need to attract and retain top talent is typically not the primary focus of organizations during this crisis. Instead, organizations should be attempting to address issues of work-family conflict for ethical reasons and to reduce the likelihood of work-family conflict leading to decreased job performance (Gilboa et al., 2008). These goals, however, require a strategy that is designed to have a more universal impact on employees and thus I argue that employers may be better served by adopting more broad policies regarding flexible work arrangements.

Flexible work arrangement policies (e.g. flextime, flexplace) allow employees to determine when and where they perform their jobs within the confines of guidelines set by the organization (Shockley & Allen, 2007). For example, after conducting a job analysis, an employer may determine that a specific position requires an employee to work 40 hours per week, but that as long as the employee is present for core hours of 11 am to 2 pm daily, the hours in which other work is completed are inconsequential. As a result, the employer may develop a flextime policy that calls for employees in that position to choose their working hours, requiring only that they work a total of 40 hours per week and are present during core hours.

Implementing such policies would allow employees to take advantage of flexible options without having to initiate a request, negotiate terms, or justify needs. This should result in an outcome where work-family conflict issues that are caused by COVID-19 would be addressed for the vast majority of employees in an equitable manner. Additionally, by encouraging all employees to utilize flexible work arrangement policies to perform some work remotely or at alternate times, employers may be able to de-densify the workplace, thus reducing the potential spread of infection within the workplace.

Eliminating the zero-sum game created by paid time off benefits

Organizations have been trending towards replacing designated time off benefits such as sick time, personal time, and vacation time with a consolidated flexible benefit known as paid time off (PTO). In such an arrangement, the use of time off benefits is not restricted based upon the benefit's specific purpose, but employers often expect advanced notice of absence except in cases in which the absence is caused by illness (Ford & Locke, 2002). One of the challenges created by PTO, however, is that it essentially creates a zero-sum game in which taking a day off for illness reduces the number of days off that an employee has available for vacation. Because of this, employees who value their time off for vacation may perceive PTO as unavailable when they are sick. As a lack of available sick time can result in employees attending work during times of illness (Johns, 2010), the consolidation of sick and vacation time into PTO may actually incentivize sick employees to show up for work.

In order to prevent the spread of COVID-19 within the workplace, employees should avoid being present at work whenever they are displaying symptoms. This is a particular challenge with COVID-19 because common symptoms (e.g. coughing, sore throat) are similar to those of other ailments such as the common cold, seasonal allergies, etc. Consequently, employees experiencing some of the milder symptoms associated with COVID-19 may be inclined to disregard them, particularly when time off benefits incentivize workers to avoid missing work due to illness. While I agree with Rudolph et al.'s (2020) recommendation that leaders encourage employees to take care of their health, such efforts are doomed to be ineffective unless there are HR policies in place to support them. Employers must recognize that reducing the likelihood of a COVID-19 outbreak in the workplace will require PTO guidelines that incentivize employees to stay home when they are symptomatic.

It may be advisable for employers to, at least temporarily, return to allocating dedicated sick time to employees. This would alleviate employee concerns that taking a sick day, when presenting symptoms of COVID-19, will adversely impact availability of vacation time. It would not, however, address times in which sick employees show up to work out of a sense of professional obligation (Johns, 2010). To minimize this problem, I'd offer a two-pronged approach. The first component of this approach returns to the guidance above regarding flexible work arrangements. In addition to reducing work-family conflict, flexible work arrangement policies create a structure in which an employee who is well enough to work but displaying possible symptoms of COVID-19 could work remotely, thus eliminating the potential of putting others at risk. The second component to this approach calls for cross-training employees, which involves educating employees on how to perform the job duties of their co-workers and often results in improved team performance (Marks et al., 2002). Cross-training can help to alleviate the sense of obligation to come to work that employees feel when they believe that no one else is capable of performing their critical job duties. Thus, by effectively implementing cross-training programs, organizations can support their employees in making responsible decisions regarding their own health and the health of others during a pandemic.

Implementing evaluation systems that support flexibility in the workplace

In many cases, the suggested changes in HR policies and practices described above will require organizational leaders to make changes in their general management practices. Flexible work arrangements and attendance policies that encourage employees to take time off at their own discretion provide employees with a level of autonomy that managers may not be comfortable with. Managers may find themselves wondering if employees are really sick when they take time off or how much time they are spending on social media when working remotely.

Such concerns are can be expected because traditional models of management rely on behavioral control where the focus is on what employees are doing instead of what they are producing (Kurland & Cooper, 2002). The use of behavioral control, however, is incompatible with providing employees with the type of autonomy necessary to maintain a safe and productive workplace during a crisis such as a pandemic. Providing employees with this autonomy requires adaptation to a managerial style that focuses more on outcomes and productivity than it does on activity.

Responsibility for this transition of managerial style goes beyond the manager as it commands a supportive human resource management structure. Methods of evaluating employee performance that focus on behavior (e.g. critical-incident method, behaviorally anchored rating scale, behavioral observation scale) must be replaced by methods that call for the employee to be evaluated based upon objective output. One such system, management by objectives (MBO), supports managers in providing employees with discretion as to *how* they do their jobs. In MBO, managers and employees work together to define specific measurable goals that meet the needs of the organization. Within the context of these goals, employee productivity can then be used to evaluate employee performance. In addition to supporting the needs of the organization during a pandemic, with the commitment of top management, MBO can help to drive more successful organizational performance (Rodgers & Hunter, 1991).

Concluding thoughts

This commentary builds upon Rudolph et al.'s (2020) call for HR policies that respond to the COVID-19 pandemic by establishing the need for HR policies that prepare for the uncertainties of tomorrow. HR managers must not only address the practices described above, but they should evaluate all personnel practices within their organizations for opportunities to

introduce flexibility. In order to survive a global health and economic crisis, HR managers must transition from responding to the immediate needs created by the pandemic to strategically developing policies and practices that will provide employees with the long-term flexibility required to *work through the pandemic*. Several of the suggestions provided above (e.g. flexible work arrangements, management by objective) have the potential to have a positive impact on employee and organizational outcomes beyond the current crisis. It is possible the silver lining of the COVID-19 pandemic will be that it serves as a catalyst for the introduction of HR practices that will have long-term benefits for organizations.

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