# 3.4 Work-Life Options at Yahoo: Turning Back the Clock?

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This article looks at the controversial decision taken by Yahoo CEO Marissa Mayer to ban telework in early 2013. It analyses the pros and cons of teleworking and searches for the underlying assumption that may have led to this ruling. A brief comparison to the work-life measures offered by Facebook and Microsoft is made, to show that these successful companies are using innovative temporal and spatial work arrangements to allow their workers to integrate their work and non-work life. The article concludes that turning back the clock may not be best solution for Yahoo and its workers.

On 22nd February 2013, workers at Yahoo received a seemingly routine internal memo from Marissa Mayer, their recently appointed CEO. The confidential statement, which was immediately leaked to the media by furious employees, announced that teleworking would no longer be a viable work-life option after June 2013 (Swisher, 2013; Cain Miller & Perlroth, 2013; Bercovici, 2013). The memo, which attracted a lot of negative media attention, instead called on employees to start working 'side-by-side' at the offices for the sake of speed and quality. Some employees, especially those who were originally hired on the implicit understanding that they could work remotely from home, objected to the controversial decision (Swisher, 2013). Coming from a corporation that has built its multi-billion dollar business over the Internet, this decision seems a contradiction of sorts.

### The pros and cons of working from home

The right to work from home forms part of a wider package of benefits that typically fall under the umbrella of Flexible Work Arrangements (FWAs). These work-life measures are generally seen in a positive light because

they can bring win-win benefits to the workers, the organisation and the environment (World at Work, 2013; Global Workplace Analytics n/d). Telework allows employees to work from home or a remote location on a regular, or more occasional basis, using information and communication technologies (ICT) such as email, teleconferencing and the telephone. Whilst some organisations still resist telework, overall, the advantages of telework seem to outweigh the disadvantages. For example, telework is perceived to strengthen organisational commitment and staff retention and has a positive effect on productivity and performance within organisations (Harker-Martin & MacDonnel, 2012). Workers who are able to work away from the office typically report less interference by colleagues (Gajendran & Harrison, 2007), gain more flexibility, do fewer trips to-and-from work, and hence save on travelling time and related expenses (Lister & Harnish, 2011). Teleworking can provide employment opportunities for persons with caring responsibilities and people with mobility problems. It can also improve family life and lessen the number of latchkey children (Telework Research Network, 2011). Telework can also have a positive impact on the environment. For example, it is suggested that strong national telecommuting programmes would reduce traffic jams and global warming as the demand for fuel decreases. Accidents are also likely to decrease and the strain on transport infrastructure is lessened because of the reduction of cars on the streets (Green & Abdelrazek, 2008).

In spite of these positive outcomes, when discussing telework, one should not assume that all workers are keen to work from home or that they want to do so on a regular basis. In fact, for some employees, it is the home that is associated with stress; while work at the office can provide a safe haven where one can feel rewarded and accomplished, especially when young children are present in the household (Hochschild, 1997). It is also important to note that not all work can be done from home and telework does not suit everyone.

Those who agree with Mayer's controversial ban to telework bring up a number of reasons for their stand (Meyer in Lee, 2013). For example, virtual work can create monitoring and logistical problems for managers. It is a known fact that in general, employers and managers are normally reluctant to have people work remotely, because they feel that they are not in control and cannot check the workers on site (Bailey & Kurland, 2002). Others claim that the lack of direct interaction means that employees can lose out on getting an instant reaction, and this can lead to more mistakes which have to

be rectified later at a higher cost.  Furthermore, people working from home tend to lose out on the human touch and on collaboration which comes through direct communication (Meyer, 2013 in Lee, 2013). The Yahoo memo suggests that "some of the best decisions and insights come from hallway and cafeteria discussions, meeting new people and impromptu team meetings". It adds that "speed and quality are often sacrificed" when one works from home. Hence, the memo insists that, in order to operate as one team, Yahoo workers should start spending more time being physically together at the office (Swisher, 2013, para. 18). Mayer assessed that this kind of interaction would act as a morale booster (Cain Miller & Perlroth, 2013). However, in the era of Skype, Teleconferencing and Smart phones, how true is it that the best interactions necessarily emanate through direct communication at the office?

Whilst acknowledging that face-to-face communication is the richest communication medium (Daft & Lengel, 1984), one should also emphasise that the degree of communication richness required at work depends on the specific task or objectives that need to be achieved.  Thus, whilst at times face-to-face encounters may be necessary, these may not always be fruitful and may actually be a source of distraction that hampers work from getting done.  By turning back the clock on the telework option, Mayer must have had motivations to do so. What could have pushed her to take this unpopular decision?

### The reasons and underlying assumptions that regulate the organisation of work

Cain Miller and Perlroth (2013) suggest that Mayer, who joined Yahoo after working for some years at Google, took this stand after noticing that "parking lots and entire floors or cubicles were nearly empty because some employees were working as little as possible and leaving early".  This contrasted with the atmosphere at Google (USA) where workers tend to congregate at top-end offices, possibly because they are generally offered carefully chosen perks and services. These typically include first-class dining facilities, gyms, laundry and massage rooms, on-site childcare facilities, commuting buses, and the possibility of having a hair cut or the car washed at the workplace (Mangalindan, 2012, About.com 2009). The idea behind these facilities is to create healthy and happy workers who, in the long run, tend to be more engaged  and more productive (Andersen & Mittal, 2000).

One should not assume that this degree of work-life integration on the part of Google is entirely benevolent. In fact, such services can be viewed as a bait to keep workers focused on paid work at the office, whilst keeping the distractions that emanate from personal needs to a minimum. At Google, Mayer was used to this environment. So for example, in order to ensure that she would not be distracted by the imminent birth of her first child, when she moved to Yahoo, she ordered that a nursery be fitted next to her office, but at the same time banned workers at Yahoo to work from home. This "made parents working at Yahoo even angrier" (Cain Miller & Perlroth, 2013, para.13). Was this a faux pas?

Decision about flexible work arrangements, such as working from home or working flexibly, "are often subject to management discretion" and are often "based on beliefs about potential disruption, substitutability of employees, notions of fairness and respect, perception of employees, record of work and commitment, perceived long—term impact, or perceived gender appropriateness" (Lewis, 2003, p. 17). This goes to show that such decisions are rarely straightforward and are often worked out within a framework of social structures that are invisible but real (Miles & Huberman, 1994). This means that actions and decisions are generally based on hidden assumptions and on the personal and collective values of the decision makers. Values are socially constructed and, in business organisations, these often manifest themselves through informal rules, processes, practices, behaviours, routines and symbols that are difficult to detect at face value (Trompenaars & Prud'Homme, 2004)

When searching for the core values behind this choice, the Mayer memo seems to be built on an underlying assumption that interactions amongst workers can only happen, or are more likely to happen, within the confined space of the office (Swisher, 2013). This value shows that in spite of the massive technological, economic and demographic changes, 'face time' or being seen at the office, is still perceived as an automatic translation of commitment and dependability (Esbach, Cable & Sherman, 2010; Bailyn, 2011). Such an assumption may well be based on outdated values that do not match up to the expectations and ambitions of mainly young and tech-savvy workers. How do ICT workers want to work and what values guide their decisions on matters relating to work and life? A study of 1,500 technology professionals in the USA suggests that more than a third are ready to consider

a pay cut (of 10%) to work from home (Telework Research Network, 2011), whilst 43% would be ready to quit their current job for another where they can telework (Lister & Harnish, 2011b). In another study, Smithson and Lewis (2000) found that young people in Britain are ready to trade job security for favourable working conditions in order to achieve work-life balance through flexibility and sensible working hours.

So: What are other ICT companies, like Facebook and Microsoft, offering to their workers on the work-life front?

## Work-life measures in other multinational ICT companies

In contrast to the decision taken at Yahoo, workers at Facebook appear to have more freedom in terms of spatial and temporal work arrangements. In fact, according to Miller and Carlson (2009), one of the most valued benefits of working at Facebook is the possibility of setting your own time, the ability to work from home when you want to and as much as you want with little to no interference from the managers. When employees go to the office they are offered three free meals a day, they can enjoy a game arcade, employee decorated offices and breakaway spaces where workers can work away from their desk, amongst other things.

When it comes to innovative work practices, the giant company Microsoft opts for a similar approach to the one offered by Facebook. It enables staff to choose "where they want to work every day and, wherever they are, whether at home or in the office, they can tap into a full array of online information and tools, 24/7" (Galinsky & Backon, 2011, p. 135). Microsoft offers flexible working conditions in order to be able to attract and retain top performers. Rather than being assessed through the number of hours they work, employees perform against a set of job commitments that are reviewed through regular one-to-one discussions with the manager. The company has figured out that, by doing so, it actually benefits through increased productivity, accountability and employee focus (ibid.).

What comes out clearly from the above cases is that these successful companies have come to terms with the fact that, in order to attract top talent, they need to change the workplace and adapt their work practices to the needs of 21st century employees. US research on the retention of workers shows that earnings and benefits have a 2% impact on job satisfaction (Families and Work Institute, 2011). On the other hand, job quality and

support at the workplace (which includes the possibility to integrate work and life through flexible work arrangements) have a combined 70% impact (ibid.). Whilst noting the positive difference that flexible work can make, it is tempting to ask whether Maltese employers are flexing the work rules to allow more work-life integration.

### Work-Life issues in Malta

If we broaden the debate from teleworking to other measures that allow the integration of work and life, it becomes clear that, in Malta, there is a categorical difference between policies offered to workers who operate in the public sector and those who work in the private sector. Government is considered to be a model employer and offers both more generous benefits and more family-friendly conditions of employment to its employees. For example, public sector employees can enjoy a twelve month career break, a one-off five year career break, an option to work on a reduced time-table until their child reaches 12 years of age, and the option to work from home through telework (Family Friendly Measures in the Public Service, 2012). None of these measures are formally available to workers in the private sector. In fact, because of better work life policies in the Maltese public sector, working mothers succeed in keeping their jobs in bigger numbers and overall they have more children (Caruana, Borg and Debono, 2011).

A survey carried out by the Employment and Training Corporation (Fsadni, 2009) on work-life measure in the private sector gave positive indicators and suggested that 92% of employers agree in principle with this concept. Furthermore, more than three quarters (77%) said that they were already implementing them in some form. This result was similar to a study by the Malta Employers' Association (2009) which showed that requests for work–life reconciliation measures were met by the majority of private sector employers. Nevertheless, a closer reality check on the number of workers who, for example, can set their own starting and finishing time  - which is one of the most basic forms of flexibility - shows that the vast majority (74%) claim not to be able to do so (European Working Conditions Survey, 2012). Moreover, the proportion of Maltese young workers who report that they are experiencing work-family conflicts (22.7%) is higher than the EU 27 average (17%)  (European Working Conditions Survey, 2010).

All this suggests that we are off to a good start of reconciling work and family life in Malta, with the public sector leading the way. But much more still needs to be done.

## Conclusion

Back at Yahoo, Marisa Mayer may have realised, albeit too late, that the impact of her decision triggered more negative than positive reactions. In fact, it is being reported that workers "unhappy with the change are being quietly told that there is no change really" (Bercovici, 2013, para. 3) and that this ban was not aimed directly at them, but at a minority of workers (200 out of over 11,000 workers) who were collecting Yahoo paychecks but were doing little work for the company (Cain Miller & Perlroth, 2013). Mayer may have tried to resolve Yahoo's financial problems by thinking like an engineer rather than like a savvy leader in tune with the signs of the times. She chose to curb home workers rather than tackle the real problems at Yahoo which have been developing for a number of years due to "a changing competitive landscape that they did not keep up with" (Schwabel, 2012, para. 4). Once a person has experienced flexible working which includes working from home, it is very difficult to convince them to revert to traditional ways of working, and if they are forced to do so, the impact can never be positive. If Mayer insists on turning back the clock, the financial and organisational woes of Yahoo are unlikely to diminish. Hopefully, Maltese employers too can learn a thing or two from this.

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