ROVE ON THE SPOT

As the Valerie Plame spy case heats up, is Bush's right-hand man going to pay a price?

EXCLUSIVE: "What I Told the Grand Jury," by Matthew Cooper
Reworking WORK

What happens when employees punch their own clock? They’re happier—and more productive.
An inside look at Best Buy’s bold experiment

By JYOTI THOTAM MINNEAPOLIS

Jennifer Janssen is having one of those days. She works in the finance department of Best Buy, and one of the company’s electronic suppliers is furious because he claims he has not been paid. “He told me, ‘I’m not going to ship any more product to your company unless I get this issue resolved.’” she says. She has to fix the problem by the end of the day, but the 35-year-old mother of a five-year-old twins also has to pick up her children from day care. What happens next? Perhaps she makes a sleepless call to her husband, asking if he could pick up the kids early while she puts out the fire at work. (Again?) Maybe she scrawls madly to find someone who can clean up the mess in time for her to sneak out at 4. (Did anyone see me?) Or perhaps, after another late night, she spends the car ride home wondering whether she should just quit. (This time, I swear!)

But no. Instead of “swearing around all over the place, trying to find a body who can cover for her,” Janssen is calm. As she figures out what happened to her vendor’s check, she knows that she will walk out of the office at 4—without guilt, without looking over her shoulder—because she is not overloaded—because she is not overloaded, because even if a solution isn’t found by then, she can keep working on it from her laptop at home. No one whispers that she is leaving.

In fact, no one notices. That’s because Janssen is part of an ambitious new experiment to solve the problem of overwork. Like many other U.S. companies, Best Buy has struggled to meet the demands of its business—how to do things better, faster and cheaper than its competitors—with an increasingly stressed-out work force.

The company’s ethos has always glorified long hours and hard work. One bonus give a plaque to the employee “who turns on the lights in the morning and turns them off at night.” Darrell Owens, a 14-year Best Buy veteran, once stayed up for three days in a row to write a report that was suddenly due. He got a bonus and a vacation, he says, but first, “I ended up in the hospital.” Cali Bender, a human resources executive, had noticed an alarming trend: women were accepting the reduced pay and status of a part-time position but doing the same work because it was the only way to get the flexibility they needed. “If we’re moving the way we’re moving,” she says, “women are going to be in the same place we were 40 years ago.”

Sound familiar? The number of people in the U.S. who say they are overworked has been rising, from 28% of Americans in 2002 to 44% last year, according to the Families and Work Institute. But instead of launching yet another “work-life balance” program, Best Buy is rethinking the very concept of work, challenging Bon
learned not to be control freaks to the hourly workers who no longer have to punch the clock. Entire departments join at once, so that no single employee is left out and made to feel less dedicated. Thus far, nearly half the 3,000 employees at Best Buy's headquarters in Minneapolis, Minn., see part of the effort. Each group finds a different way to keep flexibility from turning into chaos. The public relations team got e-mailers to make sure someone was always available in an emergency. Janssen got software that turns voice mail into e-mail files accessible from anywhere, making it easier for her to work at home. Many teams realized that they need only one regular weekly or monthly staff meeting, so they got rid of the unproductive ones.

The freedom, employees say, is changing their lives. They don't know if they work fewer hours—they've stopped counting—but they are more productive. That's welcome news for a company that hopes its employees will give it a competitive edge. Along the way, they go through a wrenching reprogramming of their attitudes toward work. What if you didn't get credit for putting in the longest hours?

As a manager, how do you establish your authority? As an employee, how do you get ahead? "It takes away everything that you felt was essential," says O'Shaughnessy.

The new experiment started quietly, when Ronlev, who manages Best Buy's 300,000-square-foot warehouse program, helped a troubled division of the retail group in Minneapolis deal with sinking employee morale. Inside encouraged the manager to try flexible scheduling, trusting his hands to work as it suited them. "He said, 'Well, trust doesn't cost me anything,'" she
The change also has exposed some ugly attitudes among managers. When Thompson proposed extending flexibility to hourly workers, the managers resisted, arguing that “there are certain people that need to be managed differently than others.” Because we believe that admin-

istrative assistants need to be at their desk to “serve” their bosses,” she says. That intransi-
et is not yet resolved, but Thompson says now is freeing the company to confront it.

The transition to a flexible workplace in Minneapolis was slow. “There was a lot of trepida-
tion,” says Trace Tobius, 36, who manages travel reimbursements for Best Buy. “A lot of, Can I really do that? Do I need to stop and tell someone? What will people think of me?” Each store had to deal with those fears. “We took baby steps,” Tobius says. “The first step was an online calendar in which everyone entered exactly where they were at any given time.” After a few weeks, the employees abandoned the calendar the year and now just sit on an hour-by-hour com-

bination of out-of-office messages and “I’m busy.” “There is no typical day,” Tobius says. On a recent Wednesday, she slept in, went to a doctor’s appointment, and showed up in the office around 10 a.m.

When Tobius needs to find people, she checks the whiteboards hanging outside their cubicles, where she and her co-workers write down where they are on any given day. “In the office today.” “Out of the of-
cfice this afternoon, available by e-mail.” The impromptu meetings are gone, but busi-
ness done by cell phone is way up. Because she no longer assumes that everyone is available, Tobius makes more of an effort to catch up with her colleagues by phone or e-mail instead of just drop-
ning by someone’s office. “You can’t just have those conversations,” she says, just not always in person. She noticed that e-mails have gotten more concise and meaningful, with much less “rtz.” And as everyone started to rethink their priori-
ties, guess what fell to the bottom of the list? “We spend a lot less time in meet-

ings,” Tobius says. They used to have a two-

hour weekly staff meeting that often devolved into chit-chat. Now, if they don’t need to meet, they don’t.

The transition required a lot of de-

programming of old attitudes, and it pro-
duced a lot of pain. Some employees be-
drew down and cried in now’s training ses-

sions. “People in the baby-boom genera-

JANE KIRSHBAUM, SENIOR CORPORATE COUNSEL

tion realize what they gave up to get ahead in the workplace, and a lot of times it’s their family. They realize that it doesn’t have to be that way.” says Frenzel, her eyes tearing up. In particular, men thank her and Thompson, who run the sessions, for giving them permission to spend more time with their families. “They know now they can do it and not be judged,” says Thompson.

Improvement in team performance for Best Buy’s first ‘best group’ of flexible employees

“Very few weeks in now, employees call ‘sludge’ out loud when they hear an offending comment. They try to keep it in a sense of humor about it—some teams put a picture in for every sludge infraction. Yes, it sounds weird, but it can help people break their bad habits,” says Paulis Moon, a sociologist at the University of Minnesota who is studying Best Buy’s now’s employees. “These are all examples of the way we use
time to obey how valuable we are," she says.

Managers being told the most resis-
tance. The hardest part of the transition, Tom Blasen, one of the first to go through it, says, was accepting responsibil-
ity for the sales his employees felt. "It was
not," he says, "that we didn't like" Blasen be-
cause he heard to stop stopping his em-
ployees as if they were "untrained children," he says. The 34-year-old supervises 27 people who handle the company's extended-
waranty services. His 30 hourly em-
ployees told him they were sick of cutt-
ning time clocks. "They felt it was al-
most impossible," he says. Now five data-lock box and cash procedures focus on how many hours they get through in a week, rather than when they do it. They
cut their hours (West Buy has to follow overtime rules), but they have more freedom to sched-
ule their work around their fam-
ilies' needs.

In the end, Blasen had to get up his courage. His control. Some 300 sales associates were available. On Saturday, Blasen
left it up to his team to decide how to handle the coverage. Under normal, he can't stop by his employment centers and asking questions in the areas they might not be there. He now plans his whole team's work more carefully, and meets with each of his direct reports weekly. "It requires you to get to know your people on a much deeper level," he says.

"To me, as a father, it was really for everyone. For instance, Best Buy's legal department so far has got-
tied in thousands of parts, partly be-
cause the in-house attorneys are worried that it will reduce their
t heir power, even one of them, Kim D. Kirshbaum, 49. Best Buy's lawyers are compensated in part based on how well
they serve their clients—often depart-
ments that have legal issues—and they are
not connected to any turnover-generating part of the business. Kirshbaum wonders if they will be criticized as unresponsive if they take off any longer. She admires the freedom the employees in the new program seem to enjoy. She changed to a four-day work week of her second child last year and struggles every day with the pace of work and the pull of family. Still, she is not concerned that now will work for her. She already clocks e-mail and voice mail on her "days off." Will

44% Percentage of Americans who said they have overworked, in 2004

before my kids were awake," she says. If
her children, ages 4 and 2, saw her, they
would beg her to stay for breakfast. Now,
because her quarterly goals are very clearly
spelled out, she knows exactly what she
has to finish in a given week—negotiate a
rental-car contract or anit-expense re-
ports, for example. She can decide how
when to do it. If she wants to have a
research day, she can do it. "My kids have
stopped saying every morning, "Mommy, I
don't want you to go to work,"" she says. It
isn't perfect, "The family doesn't always
win," she says. But the family doesn't always have either. "I don't feel guilty anymore."

Jaeger, for her part, has considered having sex when she was pregnant. "Now, it's not even an
issue," she says. As for Blasen, the retail supervisor, he went to his first parent-teacher confer-
ence, a task that had always fallen to his wife, a stay-at-home moth-
er to their two sons. Joe Pagaro,
55, a vice president who works in
merchandising, looks back in
sadness at all the sacrifices he
made. While his wife stayed at
home with their sons and daugh-
ters, "I basically worked every
Saturday and Sunday," he says. "It's one of the big-
gest regrets of my life." After his de-
cision to work. Before the new
system, he started taking an af-
fternoon here and there to play
golf. He went to Special Persons
Day at his grandson's school. If
the response has been differen-
t, "I probably would have had a bet-
ter father and husband, and a better teacher," Pagaro says. "I'm judging this as either people do not do what I did wrong.

(continued)