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Work life balance at Yahoo!*

One of the first internet pioneers and leaders, Yahoo! is struggling in the fast-changing world of technology. After the departure of three CEOs in a short span of four years, a new CEO was needed who could lead the company into the future (Fisman, 2013). On 16 July 2012, Marissa Mayer was appointed President and CEO of Yahoo!, and with her appointment the corporation's search for direction was about to end.

Marissa Mayer, then 37, was the youngest and one of the few women leading a Fortune 500 company, and probably the only one that was five months pregnant at the time of her appointment. Before taking over at Yahoo! Mayer had joined Google in 1999 as the company's first female engineer (Fisman, 2013; McLean, 2014). After the appointment as the new CEO of a pregnant woman, many employees at Yahoo!, especially woman, thought there was finally someone who understood what it meant to be a mother and working at the same time. They seemed to be proved wrong. In March 2013, Mayer surprised both her employees as well as independent analysts by decreeing that there will be no longer be a remote working option for Yahoo! staff. A company memo leaked to the media stated, that with effect from June 2013, employees would no longer be permitted to work remotely, in order to create a more productive and connected organisational culture (Goudreau, 2013). The leaked memo reads in part:

To become the absolute best place to work, communication and collaboration will be important, so we need to be working side-by-side. That is why it is critical that we are all present in our offices. Some of the best decisions and insights come from hallway and cafeteria discussions, meeting new people, and impromptu team meetings. Speed and quality are often sacrificed when we work from home. We need to be one Yahoo!, and that starts with physically being together. (Goudreau, 2013)

This policy is expected to affect hundreds of remote workers. It was alleged that the new policy was aimed at getting rid of rogue employees while keeping only those deemed committed and productive (Fisman, 2013; Weinberger, 2013).

After the announcement, a veritable outcry went through the internet, causing a debate on work life balance. It was alleged that more than 20 years after a strong movement towards work-life balance, Yahoo! was falling back in time. Headlines like 'Boohoo, not Yahoo: Are we moving backwards on work-life balance?' (Total Trust, 2013) circulated on the internet. Following Yahoo!'s announcement, Silicon Valley echoed with debate on the role and future of flexible work in the modern workplace. A large number people in Silicon Valley work from home or have other flexible arrangements in place (Weinberger, 2013). Overall 10

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per cent of US employees work at least one day from home (Shah, 2013). However, the question remains as to why Yahoo! decided to take this road. After giving birth, Mayer only took two weeks off before returning to her office. After the ban on remote work, it transpired that she had rented an office next to her own with a private nanny for her baby, so they could be close (Reynolds and Neild, 2013). That bothered many employees, since due to the policy they couldn't work from home, and had to leave their babies at home, while their CEO enjoyed the privilege of a private nursery right next to her office. This obviously caused demotivation in the existing staff. In fact, there was talk of Silicon Valley competitors using flexible schedules as bait to recruit Yahoo!'s competitive employees (Kedleck, 2013).

To be fair, one should also consider the intended or alleged benefits to be gained from the new policy. Companies in the technology sector critically depend on innovation and new developments. A major argument, as emphasised in Yahoo!'s leaked memo, is that some of the best ideas and decisions come from hallway and cafeteria discussions, therefore it is important that employees are present at the workplace. Previous research shows that despite modern IT and communication facilities, business leaders still spend 80 per cent of their time in face-to-face meetings (Fisman, 2013). The reason for this is, in order to cut through complex agendas and work on new innovative ideas, quite often people need to have face-to-face meetings.

The media attention given to the Yahoo! case shows that many people feel affected by work–life balance. It remains to be seen whether Yahoo!'s new policies lead to success. It may be the right choice over the short and medium run, given the company's economic situation. However, its long-term implications in terms of staff turnover, motivation and productivity remain far from certain.

This case study can also be analysed in the context of debates on the problems of presenteeism and flexible working. Presenteeism is generally defined as a tendency to attend work even when one feels unhealthy. It applies to employees attending work while sick and also to those employees who routinely work overtime for the sake of performance, money or corporate citizenship (Johns, 2010; Simpson, 1998). The Yahoo! example by way of illustration highlights the CEO's view that people need to be physically at work.

Questions:

1. To what extent do you agree or disagree with Marissa Mayer's policy of requiring employees to be physically at Yahoo! instead of remote working? Why?
2. What would you do if you were in Marissa Mayer's place?
3. To what extent are issues of work–life balance linked with an organisation's approach to diversity and inclusion?
4. How do you analyse the Yahoo! case study in the context of debates on presenteeism? Find a couple of examples in other organisations where presenteeism is encouraged.