

New Zealand Business Council for Sustainable Development

WORK-LIFE BALANCE REPORT

How member companies are addressing work-life balance



New Zealand Business Council
for Sustainable Development

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How member companies are addressing work-life balance

“We are all facing a shortage of people and all of our individual human resources policies are evolving everyday to ensure that our respective workplace teams continue to be motivated, loyal and happy. There is a mountain of existing research and best business practice literature on this subject but none of it outweighs the simple practice of openly consulting with your employee – and asking them how to reduce their stress , improve their job satisfaction and increase overall productivity...”

Bob Field, CEO Toyota NZ

Executive Summary

New Zealand Business Council for Sustainable Development (the Business Council) research on work-life balance highlighted member experiences through case studies, examined the international experiences/research and made recommendations for best practice in the New Zealand context. Seven members of the Business Council participated covering a range of organisations, in terms of both size and nature of business.

The organisations participating in the research offer a comprehensive range of flexible working conditions contributing to employee work-life balance. These work conditions include: career breaks, extended maternity and paternity leave, paid dependency leave, job share, subsidised health-care and leave for community, sports and volunteer work. These correlate with the first five work-life programmes identified in an international study by Towers Perrin, namely: time, leave, dependant care, counselling and wellbeing and benefits.

In our study, the consultancies appear to have more opportunity to introduce flexible working conditions. However, we found the manufacturing, the service sector, SME and retailing organisation in our study (viz Holcim, City Care, Interface and The Warehouse) have all introduced flexible work practices. This demonstrates that policies and practices are transferable between sectors.

Participants highlighted the importance of organisational ‘culture’ as being a key in successful work-life balance initiatives. Leadership ‘from the top’ in smaller organisations and consistent integration and application of work-life balance policies and strategies in larger organisations were cited.

Communication to employees about work-life balance initiatives and practices varied across the participant organisations and the communication modes employed appears dependent on the size of the organisation. In all cases, the role of managers (direct-line, group/team managers) was key to employee’s awareness and uptake of work-life balance initiatives and practices supported by the organisation.

A further key to the success of any work-life balance initiative is they must be financially sustainable so that implementation and related ongoing costs are affordable to the company. The principal costs associated with introducing policies, frameworks and provisions for employees have been identified as finding resources to design and implement or purchase work-life balance programmes and secondly, increasing employee awareness of company initiatives. Ongoing costs were identified as systems for recording leave, workplace satisfaction surveys and

targeted employee group surveys. To date, few of the companies have developed a system to monitor the cost-benefit of introducing particular work-life balance initiatives into the workplace. Anecdotal evidence, however, suggests most balance initiatives have increased employee satisfaction and some organisations indicated that work-life balance initiatives had provided a competitive edge in securing and keeping employees in a tightened labour market.

All companies in our study intuitively believe that work-life balance is important to maintain employee loyalty and commitment. Generally, companies considered that employees leaving a company cited more traditional reasons for leaving such as remuneration, location or travel, rather than dissatisfaction with their work-life balance.

Work-life balance is a term that is not commonly used in participants' company policy or in named initiatives. For some, the term is seen as a 'turn-off' for business and that within an organisation distrust and dissatisfaction can result if the policy is not considered to be consistently and fairly applied throughout the organisation. Accordingly, some companies prefer the term "diversity" to reflect their employee differences and the multiple ways organisations endeavour to work to mutually beneficial employment conditions. The participants were in agreement that they were committed to ensure the best outcome for all parties in an individual negotiation around a work-life balance initiative. Participants cited 'flexibility' of time, for instance, not only as employee choice consideration but as an organisational requirement given the nature of the work undertaken by the business.

The research demonstrated that there is no "one size fits all" practice for work-life balance policies reiterating existing research findings. This is borne out in the variation in experience of our participants together with the wide variety of responsibilities and needs of individual employees external to their employment. All participants consider that the overarching responsibility to ensure work-life balance is achieved lies with the employee and employer and recommend that Government play a very minimal role in setting policies. Rather, the Government should focus instead on raising the awareness of employees and employers to sustainable work-life balance programmes and tools.

Key recommendation

Business Council recommends generalizing best practice and providing advice and education on possible options in establishing best practice for employer/employee work-life balance initiatives is likely to be more effective than regulation.

Background: Understanding the drivers for work-life balance

In essence work-life balance can be defined as employers and employees embracing a “work to live” rather than “live to work” approach. A commonly applied definition is:-

*Work-life balance is about people having a measure of control over when, where and how they work. It is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business and society.*¹

Work/life balance has evolved over time. Historically people worked close to or at their place of work, so work and life were inherently integrated. Life activities like community involvement, childcare, and elder care happened within and alongside the work environment.

The separation between work and life became more clearly defined during the industrial revolution of the 18th century. In recent times, it is clear the workplace and, indeed, the worker have changed, as has the composition of households. Less than one in four New Zealand families has an adult who stays at home to run the household. Without someone attending to “life” issues full-time, workers now have to find time to take care of responsibilities like childcare, or caring for an elder parent in addition to their paid work.

Hence, for many people, 21st century life involves less work-life balance and more of a balancing act as they juggle responsibilities which are often viewed as competing. The digital revolution has further merged work-life environments in many employment sectors. In New Zealand, there are as many women as men in our workforce and we have an ageing population. These demographics suggest that work-life balance is going to become an increasingly important issue as people continue to demand that their employers enable them to achieve a better work-life balance.

What types of work/life programs are there?

When people think of company work/life benefits, they often think of childcare. However, most work/life programs entail much more. Work-life balance is not just for people who want to reduce their working hours, it is about responding to individual circumstances to help individuals fulfil their responsibilities and aspirations. Some organisations around the world are gaining competitive advantage in the recruitment market by offering work-life balance and career progression to talented individuals.

A survey by global human resources consultancy Towers Perrin in the US identified more than 100 varieties of work/life programs that fall into the following six categories²:

¹ <http://www.employersforwork-lifebalance.org.uk/work/definition.htm>

² Thompson, D Help employees achieve a work/life balance, Microsoft accessed from <http://office.microsoft.com/en-us/FX011717781033.aspx>

- | | |
|-----------------------------------|--|
| 1. Time | Include flexible work arrangements such as flexitime, telecommuting, job sharing and part time work, term time working |
| 2. Leave | Paid and unpaid leaves for childbirth, the care of young or sick children, sporting, or other personal or family matters. |
| 3. Dependent care | Resource and referral services to help employees find childcare or elder care, childcare programs that are on-site or nearby, and employee discounts or vouchers to help pay for the cost of care. |
| 4. Counseling and wellness | Employee seminars about balancing work and family life, peer support groups, and training for supervisors to be more attuned to employee family problems caused by overwork. |
| 5. Benefits | Cafeteria-style plans, non-taxed flexible spending accounts, sponsored health insurance schemes or insurance to pay for the long-term care of oneself, elderly parents, or a spouse |
| 6. Personal convenience | Concierge services, lactation rooms, nap rooms, and food shopping and dinner preparation services. |

Those employers who have introduced these types of employee benefits report correlated business benefits including:-

- Increased productivity
- Improved recruitment and retention: Employee costs can be 50 percent of a company's expenditure, with replacement costing considerably more than the advertising and direct recruitment fee so it pays to retain experienced employee.
- Lower rates of absenteeism
- Reduced overheads
- A more motivated, satisfied and equitable workforce.

This correlates with an earlier UK report³ which introduced the term 'positive flexibility', where working people have more autonomy and choice, and where the employer invests in development and training and works in partnership with the workforce. The report suggests this version of flexibility produces a skilled and adaptable workforce, meeting the employers' needs for competitiveness, whilst also increasing workers' security.

It is important that work-life balance programmes address the whole workforce and not just those who might at first hand appear to benefit more (eg those in family situations).

UK research looking at issues facing single people at work found that six out of ten single people claimed to have experienced some form of discrimination in the workplace. The most common form was being expected to work more at weekends, longer hours or attend more out-of-hours social functions than their colleagues in relationships.⁴

³ Changing Times: A TUC guide to work-life balance (20001) Trade Union Congress (UK)

⁴ Singledom, available from Carat UK London as a report

A recent UK survey published in February 2006 assessed the uptake and value of the range of benefits on offer and has further assessed the impact of poor work-life balance on performance.⁵ Some of these findings are detailed in Appendix 1.

A New Zealand Perspective: Why do we need to act?

Whilst work-life balance is a global issue, there are specific considerations for New Zealand. In 2005 the Business Council contributed to the Department of Labour's consultative project on work-life balance. The findings of the research including case studies and resources can be found on www.dol.govt.nz/worklife/

While New Zealand has a high number of part-time workers, we also have a high number of people working very long hours. New Zealanders have increased hours worked per capita by around 18% since 1970 – the second fastest rate behind the US and in sharp contrast to Europe where hours have steadily decreased⁶. We have seen the proportion of employed people who work a standard 40 hour week fall from 35% to 30% in the past 15 years with 22% people working more than 50 hours per week. On an average day, 40% of people are at work before 8am and one in four people work in the evenings⁷. We continue to embrace a long hours' culture.

For many workers, cell phones, text messaging, e-mail and laptops have forced work into the home in new ways that lengthen working days and intensify work. Workers and partners in a survey by the New Zealand Council of Trade Unions said that many employers held an expectation that workers were "available" well beyond their "standard" work hours. Some described being expected to have their mobiles on for long periods.⁸ This is particularly true for some part-time employees who are not necessarily 'in the office' full-time during normal business hours.

Excessive hours at work are equated with rising stress levels which affect health, fitness and personal relationships. A recent article in the British Medical Journal⁹ has reported that people who suffer from chronic stress caused by their job are more likely to develop heart disease and diabetes. Both of these are major health concerns in New Zealand.

Over recent years, lower unemployment means employees are more able to make employer choices favouring organizations that offer flexible terms and conditions. However whilst large companies particularly in the service or consultancy sector have introduced initiatives to improve work-life balance, this may prove more difficult for production based organizations and SMEs.

The total workforce in New Zealand approximates 2 million people¹⁰. 96% of New Zealand enterprises employ 19 or fewer people and in total account for 29% of the total workforce and contribute 27% of the country's economy¹¹. The New Zealand manufacturing sector employs 12% of the workforce and contributes 15% of the economy¹². It is equally important that we find a way to ensure that these employees

⁵ The 24/7 Work-life Balance Survey February 2006 Work-life Balance Centre

⁶ <http://www.oecd.org/dataoecd/41/15/32504422.pdf>

⁷ <http://www.dol.govt.nz/worklife/info.asp>

⁸ http://www.union.org.nz/policy/1027290655_21731.html

⁹ Chronic stress at work and the metabolic syndrome: prospective study, Department of Epidemiology and Public Health University College London

¹⁰ <http://www2.stats.govt.nz>

¹¹ <http://www.med.govt.nz/>

¹² http://www.rbnz.govt.nz/research/bulletin/2002_2006/2005mar68_1turner.pdf

are not excluded from participating in and enjoying the benefits of better work-life balance.

Further, whilst the labour market outlook forecasts an easing of employment growth and skill shortages, it also expects increased productivity. While increased productivity is often mentioned as one of the business benefits of work-life balance initiatives, there is recent research suggesting there is little evidence good work-life policies equate with higher productivity¹³. This position is not necessarily supported by anecdotal and emerging research evidence in New Zealand and there is clearly opportunity for further investigations in this area.

¹³ Work-life Balance, Management Practices and Productivity – Nick Blook, Tobias Kretchner, John Van Reenan, Center for Economic Performance January 2006

A Survey of New Zealand Business

New Zealand Business Council of Sustainable Development (the 'Business Council') members jointly employ around 55000 New Zealanders or around 2.75% of the workforce. Members seek to be leaders in implementing and establishing 'best practice' in sustainable practices in their workplace. Corporate social responsibility is one aspect of 'best practice' and we would, therefore, across our member organisations expect to find work-life balance practices seeking to improve quality of life with employees, their families, the local community and stakeholders up and down the supply chain.

We interviewed Human Resources (HR) Managers from selected member organisations and compiled a summary of policy and practice case studies representing sectors ranging across SME, retailing, manufacturing and service industries.

A self-completion survey focusing on issues surrounding work-life balance was distributed to the selected Members. The survey was designed to:

- Elicit information on employer views of work-life balance and the attitudes of HR managers towards flexible working practices.
- Investigate the current use and implementation of policies and practices that support work-life balance at Business Council Member organisations.
- Understand employees' individual requirements and recognise diversity issues.

Case studies compiled from this information were reviewed by participants.

Who took part?

Sector	Company	Activity	Employee numbers
Consultancy	MWH	Engineering, environmental and transportation consulting	760
	Deloitte	Professional services	770
	URS New Zealand	Engineering, environmental management services	270
Manufacturing	Holcim	Cement, aggregates production	550
Service	City Care	Infrastructure, building, amenity assets and maintenance	850
Retailing	The Warehouse	General merchandise retailer with 200 stores	8500
Importer/ Wholesaler SME	Interface	Importer & wholesaler of floor coverings	12

Case Studies

1. MWH

“Our approach is quite simple - we need to attract and retain skilled people in order to meet our client’s needs and so listen to our employees and the market on how to achieve that.”

John Palmer, HR Manager Asia Pacific

Consultancies in the engineering, transportation & environmental consulting sector must meet their client’s deadlines, so employee hours can and need to be flexible to respond to these demands. That flexibility in hours and style of working can also suit the employee, as the business, for example, is not necessarily fixed to shop hours.

MWH employs 760 permanent employees. In this figure, full time employees are 67% male and 28% female. MWH runs its daily operations during normal office hours from 20 branches across New Zealand; however selected employees are on 24 hours call out.

While MWH doesn’t have policies under the specific title of ‘Work-Life Balance’, they have several policies and practices that recognise both employee desire and a business requirement for flexibility in working conditions, such as:

- Flexibility in starting and finishing times
- Options to work off the business premises
- School holidays off
- After school care: children and family members able to go to lunch room to do homework
- Additional leave
- Part time options to provide work/home balance

Where appropriate, they also allow extended leave for employees wanting to travel and where possible arrange transfers to their overseas companies. MWH also sponsor a number of corporate social sports teams through which employees participate in netball, touch, multi-sport and dragon-boat racing.

As a workforce of professional consultants, they do not have strict starting times for most employees and allow them to take time for personal business. If employees want additional leave, this can normally be negotiated. For employee returning from maternity leave, MWH Endeavour to be flexible about part time work, if the role enables this to be achieved. MWH prefer to have individual agreements rather than implement a blanket policy because this allows managers freedom to work out what best suits individual circumstances.

These flexible policies were set up several years ago and have been adopted without affecting the normal running of the business. However, MWH have been mindful of not unfairly burdening those who can/want to work full time or longer hours.

The policies are communicated in the company’s sustainability report and are implied in their HR strategy. MWH actively monitors employee turnover rates and conducts exit interviews and employee surveys. This data, combined with staff focus groups, provide good indicators of the success of their HR strategies and feedback on areas

for improvement. Work/life balance of itself is not regarded as a sole contributor to employees leaving and the company has not encountered employees citing the hours worked or lack of access to family leave as primary reasons for leaving MWH employment.

MWH consult with employees regularly. Feedback has shown that rather than work-life balance per se, it is important employees to have a good relationship with their manager; to know the purpose of the company; to work for a successful business; and get personal growth and career development. Through having a good relationship with their manager, an individual's needs and aspirations are more likely to be met.

This view is supported by a number of studies including the MacQuarie University's Voice Project and The Corporate Leadership Council: Driving Performance and Retention through Employee Engagement. These are summarised in Appendix 1.

2. Deloitte

"We have a clear work-life balance commitment to our people and recognise that people perform better if they have the opportunity to lead a 'whole-life'. We also acknowledge that how people define this balance is different for each individual, so it is important to have policies and practices that are flexible enough to be tailored to meet our people's needs."

Jacinta Giles, Head of People and Performance

Larger organisations such as Deloitte, a professional services firm, have to balance complex sets of customer demands, corporate objectives and individual needs. In the last 5-10 years, work patterns have not changed greatly for the professional services industry.

Deloitte have 770 employees, split almost 50-50 male to female ratio. While all male employees are full time, 39 out of the 385 female employees have part time arrangements. Deloitte have five offices located around New Zealand, and whilst the working hours are 8.30 - 5.00pm, flexibility is built into these hours to enable employees to balance their working week with meeting client needs.

Deloitte has been recognised for its achievement in supporting work-life balance through winning the EEO Trust Large Organisation Award for Work & Life in 2004.

The commitment to work-life balance has become increasingly visible within Deloitte over the past eight years, with a strong commitment from the Chief Executive in supporting flexible working practices.

These practices include:

- Formal Flexible Working Arrangement policy to support people in balancing their work and life commitments
- Career Break policy to enable people to take an unpaid 2 year sabbatical from the Firm
- 14 weeks paid parental leave for the primary caregiver
- 2 weeks paid partner leave for those people whose partner has recently given birth
- Subsidised Health Insurance
- Wellness Benefit for Managers (providing all managers with access to \$2,000 to spend on health and wellness related products and services).

- Sponsored sports clubs
- Additional cultural and sports leave
- 4 weeks leave for all ¹⁴
- Additional sick leave to the statutory requirement to enable people to be available to their family during times of illness

Deloitte have attracted many new recruits, in a very tight labour market, as a result of their work-life balance policies.

While the majority of Deloitte's work-life practices are documented and easily accessible to people through their intranet, the internal People & Performance team also continues to educate through regular communication with all Deloitte people. People & Performance also ensures that strategic discussions on this subject are regularly held with leaders in the Firm, in order to ensure an ongoing focus on this important issue.

Deloitte was the first company in New Zealand to take a flexible approach to supporting their employee's health and wellness through a partnership with Activa. All managers are provided with access to \$2,000 a year on their Activa card that can be spent at any Activa health and wellness merchant. Activa's web-site also provides employees with access to a range of information on managing their health and wellness.

Deloitte's Management Group adopt the approach of finding out what is important to their employees before they develop and introduce new policy or initiatives which may have a work-life balance component. New initiatives must be balanced with business requirements, in order that the firm can make a commitment to the sustainability of the initiative. Many of the developed policies are transferable to other organizations, providing it is financially sustainable for them to introduce them.

As with most of the businesses surveyed there is no system to measure and analyse success on a regular basis. The yearly engagement survey and exit interviews do offer an insight into how well they are doing and allow action to be taken if issues are raised. Overall there has been an increase in employee engagement, which has been quantified through the annual survey.

3. URS New Zealand

"Our policies fit what we do and are based around individual accountability, empowerment and team commitment. If other companies have this sort of culture, these policies could work as well for them"

Tony Brown, HR Manager

URS New Zealand is an engineering and environmental professional services company with four offices in Auckland, Christchurch, Wellington and Tauranga employing around 270 people. Two thirds of employees are male, with men making up 8% and women 31% of part time employees.

URS New Zealand first started thinking about work-life balance five years ago seeing it as a key driver in attracting and retaining the best employees in the competitive

¹⁴ Note: Under the Holidays Act 2003, employees are entitled to a minimum of three weeks' annual holidays after the first year of employment. This provision is increased to a minimum of four weeks' annual holidays from 1 April 2007

consultancy market. Work life balance issues continue to be incorporated into relevant policies as they are formulated, increasing the visibility of work-life balance throughout the organisation. Employees have indicated that key to balancing their individual work-life priorities are the leadership and commitment to work life balance from the Chief Executive.

Policies relating to flexibility in start and finish time, work away from office, part-time working options, and flexibility of hours are in place. These are communicated to employees and other stakeholders and reported on via the company's Sustainability Report: 'The Things We Value'. In practice, URS New Zealand allows their employees to take individual accountability for the manner in which they engage with these policies relating to flexibility on fixed hours within their employment role.

URS New Zealand has targeted and achieved an increase in employee participation in their employee benefit schemes such as Group Health Scheme. They actively work to identify reasons for lower participation rates in some benefit schemes and propose pathways for increasing participation.

Recently, URS New Zealand launched an internal 'Wellness and Wellbeing Programme'. This programme offers a range of events from exercise, workplace related training, personal financial management, to health and well-being options. The programme, which runs over a month, links where possible with national and regional activities such as 'Bike to Work Week' and Auckland Regional Transport Authority 'Travel Plan' initiatives and Wellington's Shoe Clinic Harbour Capital marathon, half marathon and 10km run/walk.

URS New Zealand is a wholly owned subsidiary of the URS Corporation. Company policies facilitate transfer of employees both nationally and globally across the organisation. These policies support personal and career goals of individual employees who want to experience living and working outside New Zealand. In a similar manner, employees can negotiate shorter term assignments to projects around the Asia/Pacific region.

URS New Zealand has a strong commitment to valuing communities and encourages and supports employees to participate in individual or smaller-group initiatives that make a difference. Activities range from participating in social and competitive sporting events including community tree-planting groups and other teams involved in local government clean-up initiatives.

URS New Zealand continues to seek opportunities to implement policies and to develop and promote benefits that contribute to a better Work-Life Balance. There are costs associated with the additional resources required to design and implement new policies and raise awareness of these amongst employees. While statistics are not available, URS New Zealand considers that its approach to work-life balance has increased employee satisfaction and aided recruitment and retention.

4. Holcim

“Holcim recognises the value individual employees place on maintaining a balance between work, personal and family commitments and is working towards a culture that supports flexibility and work life balance. This can be challenging in a manufacturing environment.”

Glenda Harvey, Manager Human Resources

Holcim runs a 24hour manufacturing operation with 550 full time permanent employees and a number of temporary and casual staff at 35 sites across New Zealand. In common with most manufacturing companies males dominate the workforce nine to one.

The Executive Team sets the parameters around work-life balance, which means the responsibility does not fall to one person. Although the term, work-life balance is not commonly used, Holcim is committed to the principles in policy and practice for instance:

- Dealing with stress and fatigue for employees
- Parental leave arrangements
- Flexible hours on a case-by case basis
- Flexibility with leave arrangements
- EAP Services and Chaplaincy services

There is no work-life balance strategy or policy as Holcim felt this would be too formal and not specific to the needs of the individual employees. There is not necessarily a ‘one size fits all’ approach to this issue. Holcim prefers to develop a ‘cultural sense’ of ‘how work-life balance works around here’ and it is the responsibility of line management to lead this within their business units.

Addressing the work life balance of employees has long been an issue for Holcim. A number of staff work long and irregular hours to meet customer needs. For others, a significant amount of travel is a requirement of their role. It is important to understand the issues for individuals and occupational groups and try to match employee work life balance with business requirements.

Attending specific work-life balance seminars is not a priority for senior management. On a day to day basis, issues are communicated verbally and managed by the site managers in the various areas depending on the needs of the employee. An example would be to monitor the length of time on the road for a concrete driver who starts work at 4am and to understand how this affects his well-being – employee dissatisfaction with excessive work hours can have an impact on employee turnover.

There is no reliable data on whether Holcim’s approach to work-life balance is effective. Employee turnover is monitored and Holcim does provide employees exiting the company with the opportunity to complete an exit questionnaire or participate in an exit interview. This information is analysed by HR and trends communicated to the executive team.

Strategies generated through feedback from exit interview information may be integrated into business planning and or operational processes. Work life balance has been identified as an issue on one or two occasions by waged workers working within the concrete industry.

Holcim recognises the changing face of our society and believes that companies must adapt accordingly. As lifestyles change and people are no longer working for the same company for most of their lives, employers have to be flexible in their approach to employment arrangements while still providing a sense of equity across the company.

Holcim will continue to encourage regular leave, monitor hours of work, be aware of international working practices, understand and where possible cater for family and individual needs within working arrangements and ensure managers are equipped to understand and manage work life balance issues within their teams.

5. City Care

“Our approach is quite simply the willingness to be open to different options.”

Shelley Holst, Human Resources Executive

City Care is part of the infrastructure, building, amenity assets and maintenance sector, with 3 locations in Christchurch, 2 in Tauranga, 1 in New Plymouth and 2 in Auckland employing a total of 850 employees. City Care has also recently opened a branch in Dunedin.

Drivers, building and maintenance employee operate from 5am-8pm Monday to Saturday, with normal office hours from 9am-5pm Monday to Friday. The workforce is predominantly male with 10% female. 768 employees are full time, 35 part time/casual, 21 fixed term full time and 36 are agency employees.

Unlike many of the other businesses surveyed City Care does disclose the ethnicity of their workforce based on employee volunteered information. New Zealanders make up 60% of employees, with Maori as the next highest ethnic group at 10%.

Work life initiatives tend to be mostly around flexible hours to meet workers needs. City Care provides options to work from home or part time employment which is assessed on a case-by-case basis. Employees can negotiate working a shortened week (eg 3x10 hour days, or 4 days per week), shift to part-time or job share roles (where possible) which accommodates their personal life style choices and changes. Due to the nature of the work undertaken by City Care, some work does need to be undertaken at a specific time, however, this does vary by division. There is more flexibility for the Parks division, for example, while Waste and Water need to be on call and have to meet response times. In this way, the nature of the work an employee is involved in may influence flexible work-life balance options available.

City Care makes a Chaplaincy service available once a week to visit employees. This has worked very well with employees because it is an independent listening service, which can assist with any emotional problems employees may have.

City Care has been monitoring its employee's values for six years as the key driver to help them obtain good work-life balance. While there is no standard policy, they have collective agreements including:

- 40hrs work a week
- Parental leave
- Unlimited sick leave – which can be used for sick dependents as well.
- Superannuation and medical group incentives offered
- Unpaid leave when requested

This general policy works well for City Care and ensures that employees have time to do what they want to do. There is an awareness of the growing number of solo dads and their work-life balance issues are being addressed by providing flexibility of hours and access for children, after school-hours, to a lunch room.

The company recognizes that consistency when dealing with employees is very important since agreeing one arrangement with one member of employee and not another can cause distrust.

Underpinning the system is an expectation that employees will complete their work and that work undertaken meets the requirements of the company. Some of the drivers, especially in the roads division in particular, put in extra hours. A survey revealed that whilst some drivers (eg contractors) work a 50 hour week, they are happy to put in the extra hours for overtime. This survey also showed that managers are working long hours.

As with many companies with a large number of “blue-collar” workers, work-life balance is not seen as a priority. However the company has responded positively to the changing working patterns of employees and allows for employee’s personal time commitments to be factored into their working day.

6. The Warehouse

“At The Warehouse, we talk about values rather than work-life balance policies – our challenge is to recognise the values and diversity of our employee.”

Mary Marshall, People Relations Manager

As the largest retail employer in New Zealand with over 100 stores, The Warehouse employs 8500 employees at its red-sheds with a further 1500 at its Warehouse Stationary chain.

The Warehouse Red Shed Stores are generally open from 8am to 10pm, 7 days a week, with night filling of shelves as a 24 hour operation. Some support office employees can work from home.

The Warehouse adopts the term “diversity” when talking about work-life balance issues. This approach recognises that everyone is different and this is respected when designing and implementing policies at The Warehouse.

Current practices include:

- Supporting mothers returning after having their baby – providing a breast feeding room
- Flexibility in hours starting times and finishing times
- Providing Prayer rooms
- Annual leave of 3-4 weeks
- Options to work away from the business premises
- School holidays off

Diversity is recognised in the company’s Triple Bottom Line Report. From the outset, the company has sought to help employees manage their need to balance their work, life and specific individual needs as they arise.

The Warehouse identified time as the biggest cost and hurdles to implementing effective work-life balance practices on an ongoing basis. Time must be factored in to allow managers to handle an employee's individual needs and to ensure time off is effectively monitored. The company intends to start monitoring results of implementing these work-life balance policies recognising it is difficult to quantify the return on investment. Currently issues are only identified during the exit interviews and subsequently addressed where appropriate.

The Warehouse has always been a leader in innovation. One such approach is that they were the first organisation in New Zealand to offer employees a day off to celebrate their birthday.

Other opportunities for employees include:

- Parental leave policy – employees on leave receive a regular newsletter to keep them in touch with what's happening at The Warehouse
- A wellness support policy
- Encouragement for all employees to participate in community-based activities. This is part of stores KPI's
- Offering information and support for flu vaccination
- Employee's assistance programme
- Subsidised study
- Insurance and medical group support
- Additional sick leave

Managers have attended seminars on work-life balance hosted by the EEO Trust. These have been helpful in developing the Warehouse diversity strategy and the company is keen to build on this by bringing in a more codified approach through their diversity strategy.

7. Interface NZ

"The sales side of the business is dependent on developing relationships and small businesses suffer greatly if there is high employee turnover. Openly communicating and addressing work-life balance options to employees over the past 6 years have helped ensure employee turnover is kept to a minimum."

Robb Donze, CEO

Interface NZ is a highly successful importer and wholesaler of world leading sustainable designs of carpets and floor coverings. The New Zealand office is run by CEO Robb Donze and his team of 12 dedicated employees. The business is located in Auckland, Wellington and Christchurch.

As a small business, there is generally flexible regarding starting times for office employees where work is normally conducted between the hours of 8am-5pm. As 30% of the sales team work from home and are often based in rural locations, they have no set time to be at work.

The full time team is predominantly male with nine men and three women. Occasionally contract employees (e.g. cleaners) are employed to perform specific jobs at a specific time.

As small businesses tend to be more informal with their employee/employer relationships, the commitment to work-life tends to be communicated verbally. The CEO has developed a culture that recognises that family and job should be treated equally. One example is that people are actively encouraged to take their holidays and the CEO has been known to buy a plane ticket for an employee who had not taken their holidays.

Interface has a contract with INSTEP¹⁵ who offer an independent employee assistance programme. Services include, but are not limited to, consultancy and advice to management on issues of concern about employee/peer performance plus a confidential 0800 free phone for the employees themselves and their families to access assessment, counselling and case management. Hiring or engaging professionals like INSTEP have been the biggest cost of work-life balance initiatives to Interface. However, they consider an independent support programme an important part of providing and monitoring support to employees as it gives their employees many of the same services that might be available in larger organizations. Interface considers that in competing with large enterprises to keep employees then they need to provide some of the services employees might expect to receive from larger employers.

General policy and practice relating to work-life balance are:

- Flexibility in starting times
- Options to work off premises
- School holidays off
- Children and family members able to use a lunchroom
- An appraisal programme
- Set management objectives
- Bonus scheme: If company meets target there is a 10% bonus for all employees
- Health and well being policies
 - St John's health and safety policy
 - Interface NZ pay for the first 2 doctor visits, which is extended to families.

Interface introduced a successful, innovative work-life balance initiative which allows employees four paid hours a month to be spent involved in the community. This has enabled the Interface team to participate in community-based environmental clean-up work or other projects that individual employees are interested in.

Although there is some difficulty in monitoring how successful work-life balance policies are, employee retention is the key indicator. Interface NZ recognise that work-life balance is fast becoming a competitive issue as the issue often comes up in recruitment discussions. They have successfully implemented foundation policies, which help with work-life balance, putting the company in a competitive position to negotiate contracts with potential employees.

¹⁵ INSTEP is a national behavioural healthcare company offering independent support programmes for employees: <http://www.eap-insteplimited.com/>

Conclusion

All companies in our study intuitively believe that work-life balance is important to maintain employee loyalty and commitment. Whilst consultancies appear to have more opportunity to introduce flexible working conditions, manufacturing, the service sector, SME and retailing organisations in our study (viz Holcim, City Care, Interface and The Warehouse) have all introduced flexible work practices.

All the organisations participating in the research offer a comprehensive range of flexible working conditions contributing to employee work-life balance. These work conditions include: career breaks, extended maternity and paternity leave, paid dependency leave, job share, subsidised health-care and leave for community, sports and volunteer work.

Participants highlighted the importance of organisational 'culture' as being a key in successful work-life balance initiatives. Leadership 'from the top' in smaller organisations and consistent integration and application of work-life balance policies and strategies in larger organisations were cited. Communication to employees and managers about work-life balance initiatives and practices was key to increasing awareness of an organisation's work-life balance initiatives.

A further key to the success of any work-life balance initiative is they must be financially sustainable so that implementation and related ongoing costs are affordable to the company. To date, few of the companies have developed a system to monitor the cost/ benefit of introducing particular initiatives into the workplace. As a consequence there is little empirical evidence of the success of the undertakings outlined in the case study, but other data can be correlated to support initiatives (eg reduced staff turnover; work-life balance not cited in exit interviews; increased return from maternity leave etc).

Work-life balance is a term that is not commonly used in participant's company policy or in practice. The participants were in agreement that they were committed to ensure the best outcome for all parties in an individual negotiation around a work-life balance initiative. Participants, for example, cited 'flexibility' not only as an employee choice consideration but as an organisational requirement given the nature of the work undertaken by the organisation.

All participants consider that the overarching responsibility lies with the employee and employer and recommend that Government play a very minimal role in setting policies focussing instead on raising awareness of employees and employers to sustainable work-life balance programmes.

Appendix 1: Resources

- 1 MacQuarie University's "Voice Project"¹⁶ surveyed 10000 Australian employees and found that a perception of work as simply a means to other valued ends in life will not inspire a strong emotional attachment and commitment to work however understanding the company's purpose and their role in that will foster commitment. The research indicates that if organisations can build and communicate a clear purpose, involve and recognise employees in achieving that purpose, and achieve a standard of which employees are proud, then WLB is unlikely to provide additional benefit for achieving employee engagement.
2. The Corporate Leadership Council: Driving Performance and Retention through Employee Engagement¹⁷ surveyed 50000 employees at 59 global organizations. It found that emotional engagement is four times more valuable than rational engagement in driving employee effort however employee retention, on the other hand, depends more on a balance between rational and emotional engagement—as illustrated by the importance of compensation and benefits in driving employees' intent to stay. While employees' commitment to their manager is crucial to engagement, the manager is most important as the enabler of employees' commitment to their jobs, organizations, and teams. Among the top 25 drivers of employee engagement identified by the Council, the most important driver is a connection between an employee's job and organizational strategy.
3. EEO Trust Work-life Balance case studies, best practice, toolkit and award winners: <http://www.eeotrust.org.nz/awards/index.cfm>
4. Center for Economic Performance¹⁸ examined 700 manufacturing firms in France, Germany, UK and USA and found that employees in well run firms enjoyed a better work-life balance however they found no evidence that firms with good work-life balance policies have higher productivity. In our study, we find evidence for a hybrid view between these two polar extremes. Using originally collected data on WLB measures and management practices on over 700 firms in Europe and the US, we first find that the *Chirac* hypothesis is not supported by the data – there is a positive association between overall management quality and work-life balance. That is, better-managed firms provide a better WLB for their employees. Similarly, the hypothesis that competition and globalisation are bad for workers' WLB also receives little support: There is no relationship between competition and work-life balance. In addition, larger firms – which are typically more globalised – typically have better WLB practices. However, the *win-win* view that WLB will improve productivity also received little empirical support: there is no systematic relationship between productivity and WLB once good management is accounted for. We consequently find some support for the third "hybrid" theory where "good management" and work-life balance are neither straightforward substitutes for each other nor strictly complementary. If firms do introduce better WLB this neither penalises them in terms of productivity (as suggested by the *Chirac* theory), nor does it significantly reward them (as claimed by the *win-win* view). On average, they are neutral. This may suggest that improving WLB is socially desirable – workers obviously like it and firm productivity does not suffer. However, our results do not give a green light for

¹⁶

<http://www.humanresourcesmagazine.com.au/articles/A8/0C02F2A8.asp?Type=61&Category=1162>

¹⁷ <http://www.corporateleadershipcouncil.com/Images/CLC/PDF/eeexecsum.pdf>

¹⁸ http://cep.lse.ac.uk/management/worklifebalance_research.pdf

policy-makers to regulate more WLB. Even if *productivity* does not fall, WLB is costly to implement and maintain, and may result in significantly lower *profitability*. Any proposed changes to WLB policies need to take these additional costs on firms into account.

5. The 24/7 Work-life Balance Survey February 2006 Work-life Balance Centre: by Julie Hurst, Sarah Baker, Steve French and Gary Daniels¹⁹. This 6th survey takes a broad look at the support people most desire and looks at work-life balance as being an issue for all regardless of family circumstance. The survey highlights some differences between male and female respondents and some between the geographical locations of workers as well as between occupations and union and non-unionised workers. While work related ill health and stress levels remain high, so does job satisfaction. People certainly enjoy their jobs and the challenges and fulfillment they bring. While they dislike missing family time or spending long hours at work they also feel that their job is very rewarding and that their work is well planned and under control. Although general availability of some flexible working arrangements and support services at work is relatively high, our findings show that employee usage of some these practices is overall very low although their usefulness would indicate that both employees and employers are missing out.
6. Towers Perrin publications provide a significant range of information regarding North American trends in work-life balance and influence on employee recruitment and retention. See for example:
http://www.towersperrin.com/monitor/webcache/towers/TP_Monitor/jsp/showdoc.jsp?webc=TP_Monitor/2006/04/articles/mon_article_0406A.htm
7. Department of Labour have work programme²⁰ addressing work-life balance in New Zealand ranging across large public and private sector organizations through to small businesses. Results from these workplaces will be used to build practical tools and resources for employers and employees across New Zealand.
8. Department of Labour: Work-Life Balance in New Zealand, A Snapshot of employee and employer attitudes and experiences²¹. Summarises key findings of two national surveys and found over half people experience work-life balance. Highlights aspects which make work-life balance harder to achieve and cites occupational difference in work-life balance ratings.

¹⁹ http://www.employersforwork-lifebalance.org.uk/work/latest_research.jsp?letter=t

²⁰ <http://www.dol.govt.nz/worklife/index.asp>

²¹ <http://www.dol.govt.nz/worklife/quality.asp>