



EEO Trust Work-Life Survey Report 2006



Equal Employment
Opportunities Trust

Research completed by the EEO Trust with analysis by Dr Mervyl McPherson.

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Equal Employment Opportunities Trust
PO Box 12929
Penrose
Auckland
New Zealand
Phone: 64 9 525 3023
Fax: 64 9 525 7076

Foreword

Research consistently finds that New Zealanders want work-life initiatives that would enable them to better balance their lives. Parents, disabled people and older people responding to our on-line surveys have told us they want more flexible working arrangements, including the ability to move between full-time and part-time work. In a recent Department of Labour study, 40% of respondents said they have some difficulty in getting the work-life balance they want. The most helpful initiative for them is flexible start and finish times.

Nine years of judging and presenting the EEO Trust Work & Life Awards have given us a unique insight into how some leading employers approach work-life balance. In addition, the EEO Trust Diversity Survey has gathered data on work-life balance in recent years, and, with responses from 460 employers, the Work-Life Survey builds on this, adding another level of detail to our understanding of work-life balance in New Zealand workplaces.

Of the range of work-life initiatives, our respondents are most likely to offer flexible work hours and domestic or special leave. Many other initiatives are also commonly provided, including discouraging long work hours, family oriented social events and flexible work location.

The most important reason employers give for supporting work-life balance is to attract and recruit the best talent, followed by improved productivity, general business benefits and social responsibility.

Information provided by EEO Trust Work & Life Awards entrants also shows that staff retention is a critical incentive for work-life initiatives. For example, winner of the Large Organisation Award this year, Meredith Connell, says its parental leave policy has been extraordinarily successful in retaining women employees. Meredith Connell estimates the annual cost saving of low staff turnover at \$360,000.

The Work-Life Survey found that respondents with more work-life initiatives and more implementation steps are most likely to report reduced staff turnover and absenteeism and increased staff loyalty and commitment.

Comparison with data collected in previous years shows that almost all work-life balance initiatives are becoming more common. We would like to believe that this is a result of heightened employer recognition of the business benefits as well as rising employee expectations.

The only formal implementation steps most organisations take towards supporting work-life balance are having and communicating a strategy or policy, and senior management commitment. Employers are likely to reap greater rewards if they focus on additional areas such as management accountability and training, and monitored action plans. These go towards creating a culture which actively supports work-life balance, enabling people to create working arrangements which suit their own personal circumstances.

Philippa Reed
Chief Executive, EEO Trust

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1. Executive summary

The EEO Trust has conducted an annual Diversity Survey since 1997. Since its inception, this survey has included questions on family-friendly initiatives and in 2001 these were broadened to collect data on a range of initiatives which support work-life balance.

In 2006, for the first time, we conducted a survey focusing solely on employers' work-life balance initiatives. This will serve as a baseline for future work-life surveys in alternate years so we can track trends in work-life balance practice among EEO Employers Group members and other employers.

We initiated a dedicated work-life balance survey in recognition that employers are increasingly focusing on work-life balance initiatives to improve recruitment, retention and productivity.

The Work-Life Survey complements the EEO Trust Work & Life Awards which are in their ninth year and have been critical in raising the profile of work-life balance issues amongst employers. Whereas the EEO Trust Work & Life Awards collect important information on the approach taken to work-life balance by self-selecting employers entering the Awards, the 2006 Work-Life Survey has collected comprehensive data, comments and suggestions from more than 460 workplaces.

This survey sample is not a random sample and is likely to be biased toward employers with an interest in work-life issues. It is also biased towards larger organisations.

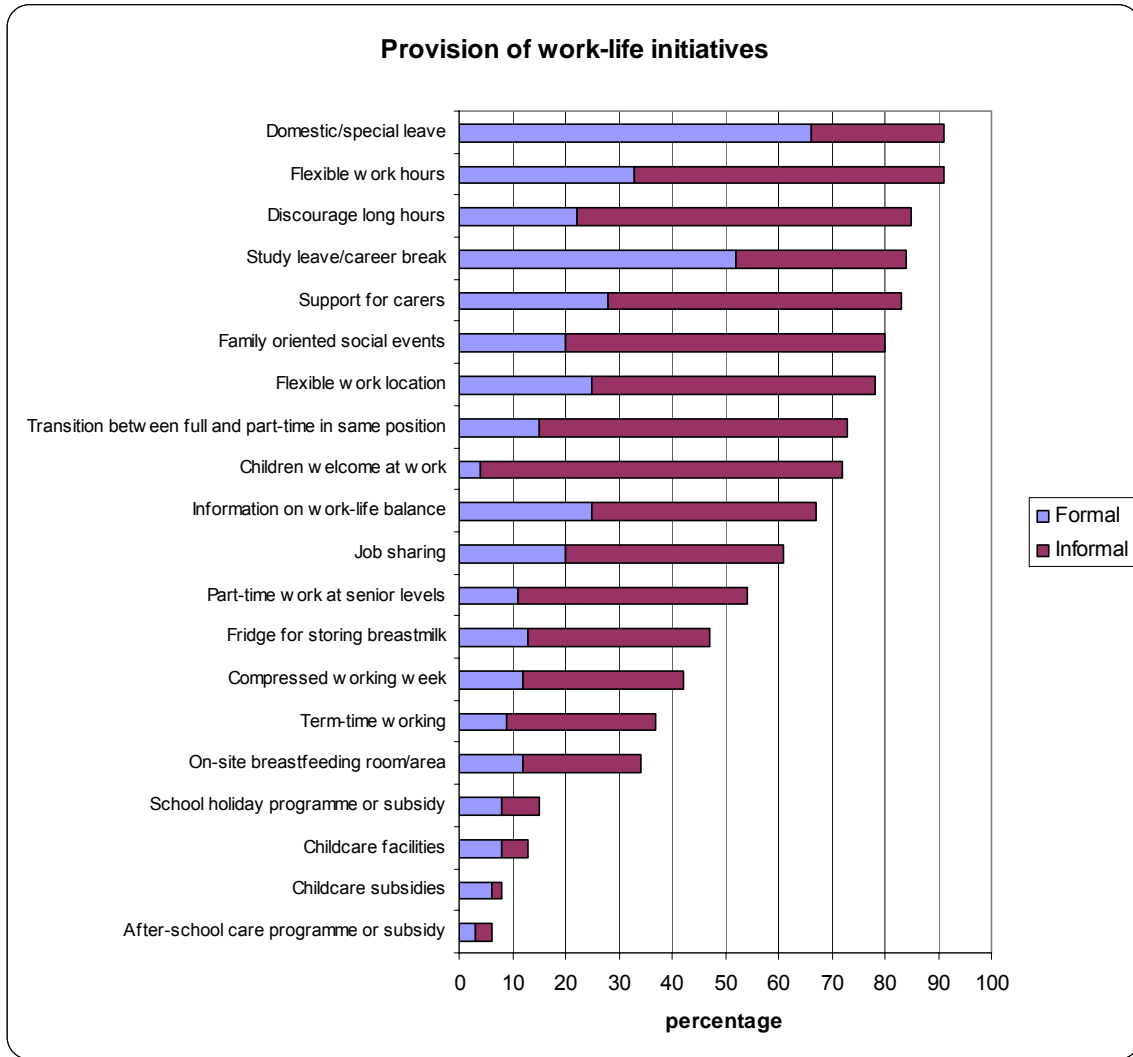
1.1 Initiatives

Flexible work hours and general domestic or special leave are the most common work-life initiatives offered by the 460 respondent workplaces. More than half the organisations also encourage work-life balance by:

- Discouraging long working hours
- Providing support for carers
- Offering family-oriented social events
- Offering flexible work locations
- Enabling people to shift between part-time and full-time work in the same position
- Offering part-time work at senior levels
- Offering job sharing
- Providing information on work-life balance
- Welcoming children in the workplace when necessary.

Most of the work-life initiatives are likely to be provided on an informal basis, with leave options most likely to be formally provided.

Figure 1: Provision of work-life initiatives (organisations with 10 or more employees)



Comparison with data from the 2002 and 2004 EEO Trust Diversity Surveys shows an increase in the provision of most work-life initiatives.

In the past 12 months, respondents have implemented a range of new initiatives including: identifying work-life issues among staff; developing work-life policies; providing paid days off for voluntary/community work; increasing the range of flexible working practices; and developing health and wellness initiatives.

1.2 Implementation

Using strategies or policies to support work-life balance

Most of the organisations participating in the first EEO Trust Work-Life Survey (62%) have a work-life strategy or policy. In just under half of these organisations, this strategy or policy is integrated with the organisation's strategic objectives. For just over half, it is located in the human resources area. This compares well with Australia where between

a quarter and a third of organisations surveyed regarded work-life issues as a strategic business issue.¹

The most important reason for having a work-life balance strategy or policy is to attract and recruit the best talent. This is followed by improving productivity, general business benefits, and social responsibility.

Successful implementation of work-life strategies or policies involves a series of steps including: demonstrating senior management commitment through role modelling and the provision of resources; having a written action plan; communicating the strategy or policy within the organisation; training managers in work-life management and implementation, and making them accountable for its implementation; and measuring uptake and outcomes.

The EEO Trust Work-Life Survey indicates that there is a high level of commitment from senior management, mainly through role modelling. Communication of policies or strategies is also high with four out of five organisations using at least one form of communication. However, most respondents do not undertake the other formal steps to implement their work-life strategy.

1.3 Meeting employees' needs

Individuals' work-life balance needs vary and initiatives need to be tailored to fit changing circumstances. Understanding the needs of staff is an important part of developing and delivering effective work-life initiatives.

While two-thirds of the respondents carry out staff satisfaction surveys, only a quarter have surveyed their staff specifically to find out about their work-life balance needs.

1.4 Health and wellness

Health and wellness was a special focus of this year's survey. Just over half of the respondents have a health and wellness programme in their organisation. Although many have had a programme for many years, the number of organisations offering programmes is increasing. Health and wellness programmes are associated with reduced time off work due to injury, reduced absenteeism, and improved staff retention.

The most common health and wellness provisions are workstation assessments, flu vaccinations, stress management information/support, vision checks, and information on physical activity. Other more general ways of supporting employees' health and wellness are Employee Assistance Programmes, health insurance benefits, providing time to participate in health and wellness activities, and making healthy food available in the workplace.

1.5 Parental leave

A third of the respondents offer paid parental leave over and above the statutory provisions. The extra amount varies from an additional two to 14 weeks, but is usually an

¹ Managing work/life Balance, Work/Life Initiatives, the way ahead report on the year 2005 survey. www.worklifebalance.com.au

extra six weeks. Eligibility for extra leave and the amount of extra leave is often related to length of service. The payment sometimes depends on remaining with the organisation for a specified period of time after returning to work.

The average rate of return from parental leave was 79%. A quarter of respondents reported an improved return rate over the last 12 months.

1.6 Outcomes

Best practice examples – New Zealand’s Top 20%

We developed a work-life balance score to gauge whether the provision of work-life initiatives and the implementation of work-life strategies or policies were reflected in business benefits such as improved staff retention and reduced absenteeism.

The score was calculated by adding the number of initiatives and the number of implementation steps to identify organisations in the top 20% and the bottom 20%.

Comparing results on key outcome measures for these two groups showed that the best practice organisations (the top 20%) had higher proportions of all the desirable outcome measures: increased uptake of work-life initiatives; decreased staff turnover; decreased absenteeism; and an improved parental leave return rate over the last 12 months. In contrast, the bottom 20% were more likely to report no change in outcomes or to not know what their outcomes were.

Impacts on productivity or profitability

When asked about the benefits of work-life initiatives, respondents mainly referred to attraction or retention of staff, particularly those with special skills. Reduced absenteeism and injury rates, increased staff loyalty and commitment, morale and discretionary effort, and improved parental leave return rates were also commonly cited.

Many respondents said staff surveys provide evidence of how their work-life balance initiatives impact on their ability to attract and retain staff, as well as on staff satisfaction.

“Staff survey results confirm that work-life balance initiatives enhance our appeal as an employer, building commitment, retention and work performance.”

Many respondents also described how encouraging work-life balance contributes to an increase in discretionary effort and/or engagement.

“It has increased our productivity as our initiatives have shown to our staff that they are more than mere processors and that if we allow things such as flexible hours, when we need extra time or dedication, it comes easily.”

1.7 Barriers and solutions

The main barriers to implementing work-life balance policies were lack of support from managers, lack of time and resources to formalise policies or introduce new initiatives, lack of interest or resistance from staff, meeting clients’ needs, heavy workloads, covering absent staff, and equity of access to provisions for all staff.

The solutions to these problems include communicating to managers and staff the benefits of work-life balance, training managers in new ways of working, and building accountability for implementation into managers' performance reviews and contracts.

One respondent described their approach to improving uptake.

“Needs a culture change to accept that it is OK to work with flexible hours or from home if possible. Communication through team meetings and promotional advertising seems to work.”

1.8 Issues for small organisations

Organisations employing fewer than 10 people were surveyed separately as they are less likely to have formal policies and programmes. Fifty-one small organisations completed the survey and almost all said they actively endorse work-life balance. Social responsibility was the most important reason for doing so.

The most common initiatives offered by small organisations were flexibility in working hours and location, general domestic and special leave, discouragement of long work hours, welcoming children at work when necessary, and support for those caring for family or friends. About half the small organisations have initiatives to support employees' health and wellness.

Small organisations reported that the barriers to implementing work-life balance include meeting deadlines, limited resources, employee abuse of provisions, and ensuring equitable access. They suggested a wide range of solutions including good communication with clients and staff, all staff having a project partner, and offering initiatives that do not require funding.

2. New Zealanders and work

Work-life balance has been a developing concept in New Zealand for at least ten years. It has broadened its family-friendly focus to an understanding that everyone in paid work, regardless of their family responsibilities, is likely to have commitments and interests outside work.

It has been argued that the term “work-life balance” implies that work is not part of life and that “work-life integration” would be more accurate and useful, but “work-life balance” remains the most popular terminology in popular media and management literature.

Entries in the EEO Trust Work & Life Awards illustrate the evolution of work-life balance initiatives since the Awards’ inception nine years ago. Common provisions to improve work-life balance include: flexible working hours; extra leave; more employee input into working hours or shifts; quality, affordable childcare and out-of-school care; breastfeeding facilities in the workplace; increased paid parental leave provisions; and quality part-time work.

EEO Trust Work & Life Awards entries also show a trend towards flexible solutions that recognise that everyone has different needs, preferences and responsibilities, and that people’s preferred working patterns and income levels will change during their lives. They also illustrate that the workplace culture is at least as important as the number or type of initiatives offered. If work-life balance is not supported at all levels of an organisation, employees are unlikely to feel able to use work-life balance initiatives or request arrangements to suit their situation.

One manager responding to the Work-Life Survey described their approach to exemplifying work-life balance: “I work an 8.30 to 5.00 job and only rarely would work overtime or in the weekends. I do not expect my staff to do so either. If it does happen I make sure that they are encouraged to take time off to compensate. Also, I often leave a few minutes early to make sure that I get to see my mother in a rest home while she is still awake! Guess that sets the scene for others who may need to do something similar.”

2.1 Demographic factors

Both employees and employers benefit from work-life balance initiatives. As well as enabling people to meet their commitments at home and at work, the initiatives improve recruitment, retention and productivity.

However, work-life balance issues also impact on the country’s wellbeing. Societal changes which have enabled and encouraged women to participate in paid employment make it increasingly difficult for parents to manage their responsibilities and commitments at home and at work. The future workforce and the consumer market depend on women bearing children and parents raising them.

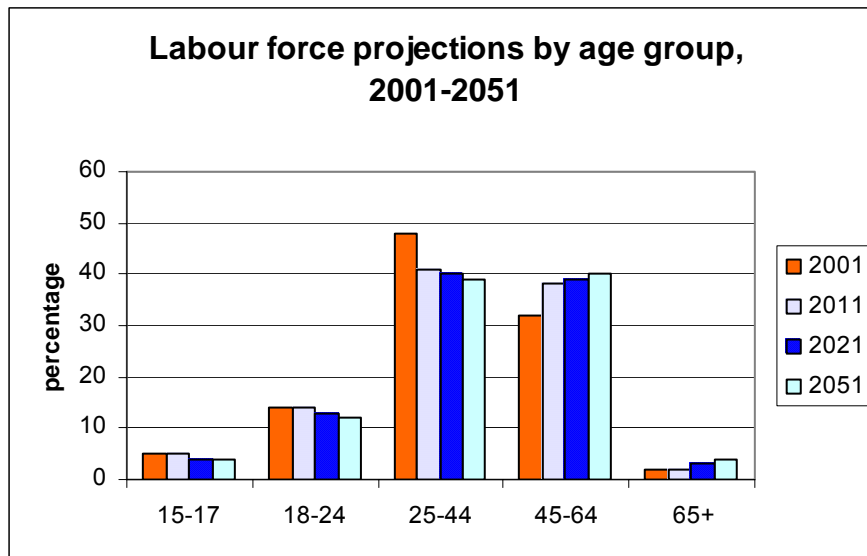
Reproduction is declining throughout the developed world. Research shows that increasing numbers of New Zealand women are making a choice between family and career, and that highly educated women in professional and managerial occupations

tend to have fewer children.² Fertility rates are lowest in countries with low levels of male participation in household duties and childcare and little public policy support for families and women in paid work.³

Ageing population

Like the rest of the developed world, New Zealand’s population is ageing as people live longer and have fewer children. The numbers of workers aged over 45 will continue to increase as the number in the younger age groups declines, as shown in Figure 2. Workplaces facing skills shortages need to consider how they can keep experienced older people in the workforce for longer.

Figure 2: Labour force projections by age group



Source: Statistics New Zealand Labour Force Projections, 1996 base, Series 4M.

Women and families

In 2004, women made up 46% of the New Zealand workforce. Most of them were working full-time. While women with pre-school children account for the main increase in women in the workforce, compared with other OECD countries New Zealand has a relatively low proportion of this group in paid work.⁴

Studies show that flexible hours, affordable quality childcare, quality part-time work especially at senior levels, longer paid parental leave, and graduated return from leave all encourage women with children to stay in or return to paid work.⁵

² Sceats, J. 2003: The impossible dream: motherhood and a career? Population and Social Policy. Special issue of New Zealand Population Review, 29(1):155-170

³ Johnston, G. 2005: Women’s participation in the labour force. New Zealand Treasury working paper 05/06; Jaumotte, F. 2003: Female labour force participation: past trends and main determinants in OCED countries. Economics Dept working papers No. 376. OECD. www.oecd.org/eco

⁴ Johnston, G. 2005: Women’s participation in the labour force. New Zealand Treasury working paper 05/06;

⁵ EEO Trust 2005: Parenting and paid work – on-line survey analysis. www.eeotrust.org.nz

One mother responded to the EEO Trust's 2005 Parenting Survey said: "Flexibility is essential to maintain a balance of work, home and personal life. When working full-time and being almost a full-time mum it's easy to lose the balance. Workplaces need to have systems in place to enable mums also to be mums."

Recent New Zealand research found that 50% of respondents believe a working mother can establish just as warm and secure a relationship with her children as a mother who does not work, and 46% believe doing paid work is the best way for a woman to be an independent person. Nearly half the respondents agreed that men should do a larger share of housework and childcare.⁶

Giving fathers equal access to work-life balance provisions enables them to share the childcare and domestic roles with women, supporting their partners in their paid work and meeting their own desire to spend more time with their families.

One father described his view of fatherhood and work in an EEO Trust online survey: "To me time off is everything, and I think we are pushed more and more into losing our free time to spend with family. After all we did have a family to enjoy their upbringing and to be part of their lives..."⁷

Immigration

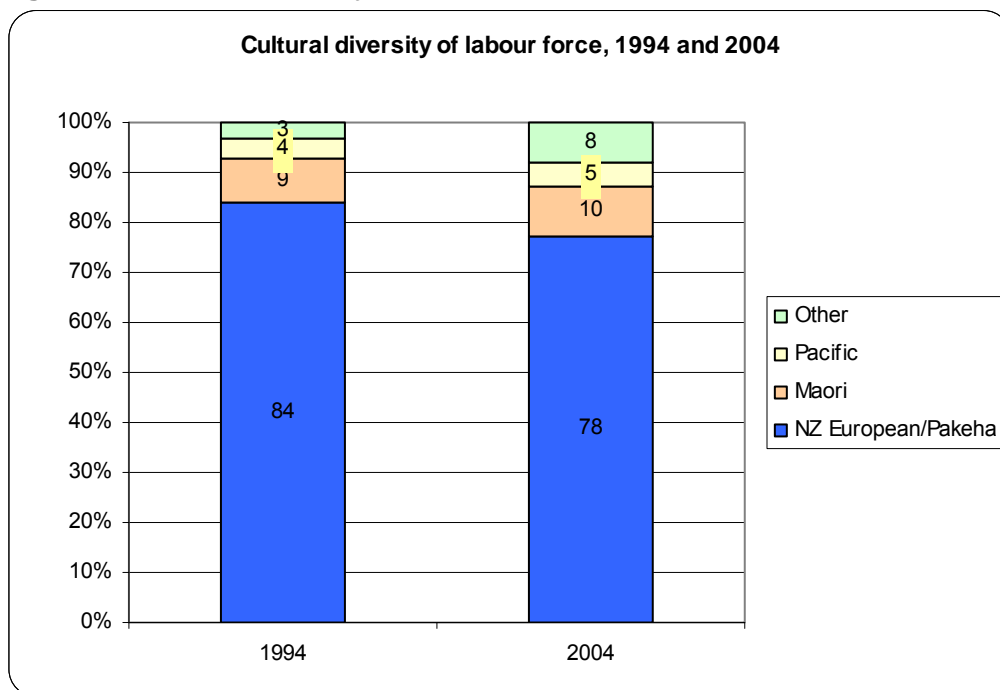
Immigration from countries with cultures very different to New Zealand's continues to grow.

In 2004, almost a quarter of New Zealand workers were not New Zealand European/Pakeha. Eight per cent of workers came from ethnic groups other than Māori, Pacific or NZ European. The group "Other", which includes Asian, has shown the greatest growth since 1994 when only 3% were from "other" ethnic groups and 84% were NZ European/Pakeha. So far there has only been small growth in the proportions of Māori and Pacific people in the New Zealand labour force (Figure 3).

⁶ Prof. Phil Gendall, Tanya Banks and Katrina Wohn, 2006: Attitudes to work in New Zealand, International Social Survey Programme. Massey University.

⁷ EEO Trust Father's Survey 2003. www.eeotrust.org.nz/news/index.cfm?content_id=220

Figure 3: Cultural diversity of labour force, 1994 and 2004



The implications for work-life balance include the need for workplaces to accommodate cultural and religious observances that differ from the Christian-based New Zealand holiday observances. Some leading workplaces like Mt Albert Pak 'n Save⁸ provide facilities for religious practice and recognise that recent immigrants may need to take longer periods of leave, sometimes at short notice, to visit family members in their birth country.

2.2 Workplace factors

Part-time work

Part-time work has been growing more rapidly than full-time work in New Zealand and internationally. In 2004, 22% of New Zealand workers were employed part-time, up from 19% in 1990.⁹

Part-time work is a preferred option for a growing proportion of the workforce at different ages and life-cycle stages. As young people remain longer in education they need to work part-time rather than full-time. At the other end of the life-cycle, older people are living longer and superannuation is becoming available to them later so they are increasingly working part-time as they move towards full retirement. In the middle, parents are combining raising children with paid employment.

There is increasing demand for part-time work that is at the same seniority level and with the same conditions as full-time work, particularly for parents who wish to combine a career and family life.

⁸ Winner Manāki Tangata Award, EEO Trust Work & Life Awards 2005. www.eeotrust.org.nz

⁹ Statistics New Zealand, Labour Market Statistics 2004, Table 2.02

With people living longer and retiring later, working part-time for more of one's working life does not necessarily result in less hours spent in paid work overall. Both individual and societal productivity may be increased rather than reduced by part-time work options, particularly as they enable a greater range of people to do paid work.¹⁰

Low annual leave

New Zealand workers are currently entitled to comparatively little annual leave, although this will change in 2007. Of 20 OECD countries, only Japan (10) and the US (0) have less than New Zealand's current statutory 15 days annual leave.¹¹ Eight countries, including the UK, Australia, Ireland and Switzerland have statutory 20 days. Seven countries, including Sweden, France and Finland have 24 to 25 statutory days. Others have 21 to 22 days.

Productivity

The Treasury and Government have been exploring ways to lift New Zealand's economic performance which peaked in the 1970s and then declined until the 1990s. Despite a recovery during the past 15 years, New Zealand's productivity is still languishing at the bottom end of the OECD rankings.

New Zealand's low productivity sits alongside its long hours culture. Only people in Japan work longer hours than New Zealanders.¹² Countries like France and Germany with short hours, long annual leave, and lower labour force participation have higher productivity than New Zealand or Japan.¹³

The proportion of parents working long hours increased between 1986 and 2001 due to more fathers working long hours (50+), more mothers entering the labour force, and fewer mothers working short hours.¹⁴

Overseas research has shown that links between work-life balance and productivity are not clear cut, but are related to management practices. Firms with better management practices are both more productive and better for their employees.¹⁵

¹⁰ McPherson, Mervyl, 2005: Part-time work and productivity: trends and initiatives. A life course approach. EEO Trust.

¹¹ Moen, P. and Roehling, P. 2005: The Career Mystique. Cracks in the American Dream. Rowman & Littlefield, Maryland: p.92.

¹² Messenger, J. 2004: Finding the balance: working time and workers needs and preferences in industrialised countries. Paper presented at 9th International Symposium on Working Time, Paris, February 2004, cited in Callister 2005 below.

¹³ David Skilling, The New Zealand Institute, 2006: Creating a global New Zealand economy. www.nzinstitute.org.

¹⁴ Callister P. (2005): Overworked families? Changes in the paid working hours of families with young children, 1986 to 2001. Social Policy Journal 24:160-184

¹⁵ Bloom, N., Kretschmer, T., and van Reenen, J. 2006: Work-life balance, management practices and productivity, London School of Economics.

Small business

It has been argued that the large proportion of small businesses in New Zealand (76% of employers had fewer than 10 staff in 2005¹⁶) makes it difficult to introduce work-life balance initiatives.

However, overseas research contradicts this showing that small workplaces are more likely than larger ones to offer work-life balance initiatives, usually on an ad hoc basis due to the informal nature of relationships between employers and employees in small workplaces.¹⁷ Winners of the small organisation category in the EEO Trust Work & Life Awards also demonstrate that small businesses can and do offer a wide range of initiatives that support employees to balance their work and personal lives.

In addition, despite the large number of small businesses in New Zealand, 78% of employees work in organisations with 10 or more employees, and 43% in organisations with 50 or more employees.

2.3 Research on work-life balance

The EEO Trust has conducted a number of on-line surveys on people's work-life balance issues and needs.

A 2004 EEO Trust survey exploring the impact of paid work on personal relationships found that paid work has both positive (82%) and negative effects on relationships. For 64% of respondents paid work negatively affected the amount of time spent with their partner, and for 53% it affected the quality of time. The negative impacts increased with the number of hours worked by couples.¹⁸

These findings are consistent with a national random sample survey on work, family, and parenting¹⁹ which found that 82% of parents find their work satisfying, and 89% report a positive spillover from work to home. However, 21% experience a large amount of work stress and 35% report that negative work to home spillover occurs at least once a week. This is similar to a 2006 Department of Labour²⁰ finding that 40% of people say work often makes it difficult to spend time with their family.

Thirty-nine per cent of respondents to the EEO Trust's Relationships and Paid Work Survey said paid work was a contributing factor to a spouse/partner break-up. The main reason cited was work pressure, exhaustion or stress (66%), followed by long hours (54%), unpredictable hours (30%), and shift work (21%).²¹

Thirty-eight per cent of respondents to this survey had turned down a job, transfer or promotion because it would impact badly on their relationship.

¹⁶ Statistics New Zealand Business Demographic Statistics February 2005 (latest available at time of going to print).

¹⁷ Dex, S. and Scheibl, F. 2002: SMEs and flexible working arrangements, Policy Press

¹⁸ McPherson, Mervyl 2004: Findings of the EEO Trust on-line paid work and personal relationships survey. EEO Trust. www.eeotrust.org.nz

¹⁹ Ministry of Social Development 2006: Work, Family and Parenting study. www.msd.govt.nz

²⁰ Department of Labour 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences:p.22

²¹ McPherson, Mervyl 2004: Findings of the EEO Trust on-line paid work and personal relationships survey. EEO Trust. www.eeotrust.org.nz

More than half the respondents said the most helpful way that workplaces could support their personal relationships was by providing flexible work hours. As one respondent said, “I find flexitime is an excellent tool to ensure that I enjoy both my work and my leisure time.”

Around 30% of respondents wanted to be able to work reduced hours in a full-time job, to have essential work confined to core working hours, and to not have to relocate in order to progress their career.

The EEO Trust’s 2004 Parent and Work Survey drew a response from 4,475 people, most of whom said that workplace flexibility was the most needed work-life provision. Part-time work options in one’s normal occupation were much more important to women than men, but still important to nearly half of the male respondents. Flexible work hours and affordable, quality, convenient childcare were equally important to all ethnic groups.²²

The EEO Trust’s 2006 Work and Age Survey found that flexible working hours, quality part-time work, being able to work from home, and being able to take extended leave would encourage older people to stay in paid work for longer.

A number of qualitative studies have found that parents believe that lack of after-school care and school holiday care, lack of breastfeeding facilities in the workplace, the cost of childcare, inadequate length and amount of paid parental leave, and lack of well paid part-time jobs are major problems when combining work with parenting.²³

According to the Department of Labour’s 2006 research, employees want more leave, both paid and unpaid, occasional or regular flexibility in hours and more say about rosters and shifts and how many hours they work. People with caring responsibilities want to be able to take annual leave in small blocks, have school holidays off, and have extra unpaid leave. Carers were also the group most likely to say that work-life provisions in their workplace help “a lot”.²⁴

The New Zealand Council of Trade Unions undertook a qualitative study of 30 families in 2002, finding that long hours (45-55 or more hours a week) were a major problem for individuals, their families and communities. Many of these hours were unpaid overtime and workers felt their employers did not recognise the impacts of the extra unpaid work. Some workers said the unpredictability of their working hours was of greatest concern. Many workers said their employers expected them to be available outside standard work hours and there was a general feeling of loss of control over working hours.²⁵

Barriers to flexibility

²² EEO Trust 2005: Parenting and paid work – on-line survey analysis. www.eeotrust.org.nz

²³ Boyd, S. 2004: The 48-hour day. Working mothers tell it like it is. Random House, Auckland ; Department of Labour, 2004: Achieving balanced lives and employment. What New Zealanders are saying about work-life balance. www.dol.govt.nz/worklife; Families Commission, 2006: What makes your family tick? Families with dependent children – successful outcomes project. Report on public consultation. Research report No.1/06.

²⁴ Department of Labour 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences p.42

²⁵ NZCTU, 2002: Thirty families. Interim report of the thirty families project. The impact of work hours on New Zealand workers and their families. www.union.org.nz/publications

Most of the employers who responded to the Department of Labour's 2006 work-life balance survey did not see barriers to improving flexibility in the workplace.²⁶

Similarly, employers interviewed in an EEO Trust research project in early 2006 were hard pressed to find any costs or problems associated with offering flexible working arrangements, and a number said that the cost was in not doing it. The ten interviewees acknowledged that different people need different types of flexible working arrangements. They were happy to change the arrangements as people's needs changed.²⁷

However, these employers are not typical as they are all members of the EEO Employers Group who have entered the EEO Trust Work & Life Awards at some time, and therefore have an interest in implementing and promoting flexible working options.

²⁶ Department of Labour 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences.

²⁷ EEO Trust, 2006: Flexible work solutions – what leading employers say. *A Question of Balance*.

3. EEO Trust Work-Life Survey

The EEO Trust has been running an annual Diversity Survey since 1997. Since its inception, this survey has included questions on family-friendly initiatives and, in 2001, these were broadened to include a range of initiatives which support work-life balance. In 2006, for the first time, we ran a separate survey focusing solely on work-life balance initiatives. This will serve as a baseline for future surveys to be held in alternate years so we can track trends in work-life balance practice among EEO Employers Group members and other employers.

The Work-Life Survey includes questions on the implementation of work-life initiatives, for example, how they are developed, role modelled, and communicated, as research shows that the delivery process is important to encouraging uptake and achieving the anticipated benefits, such as reduced staff turnover and absenteeism.

The 2006 EEO Trust Work-Life Survey was sent to 3,433 organisations, primarily those employing 20 or more staff, and was completed by 462 organisations. This is not a random sample and is likely to be biased toward employers with an interest in work-life issues. It is also biased towards larger organisations.

All 375 members of the EEO Employers Group were invited to complete the survey and 326 (87%) did so. The other survey participants represent a range of New Zealand employers.

Table 1: Survey respondents

Size	All	EEO Employers Group members
10 or more staff	411	276
Fewer than 10 staff	51	50
All	462	326

A total of 262,878 workers are employed by respondent organisations. This is 13% of all employees in New Zealand as at March 2005. Twenty-two per cent of these workers were employed part-time, the same as the New Zealand average.²⁸

Data in the main section of this report relates to the 90% of responding organisations with 10 or more employees (411 respondents). A separate section reporting findings on small organisations (fewer than 10 employees) is included at the end of this report.

²⁸ Statistics New Zealand Labour Market Statistics 2005.

4. Provision of work-life initiatives

General domestic or special leave and flexible working hours are the most common work-life initiatives.

Most work-life initiatives are provided on an informal basis with leave options being the only initiatives formally provided by more than 50% of respondents. When informal provision is included, flexible work hours is equal with domestic or special leave provision at 91%.

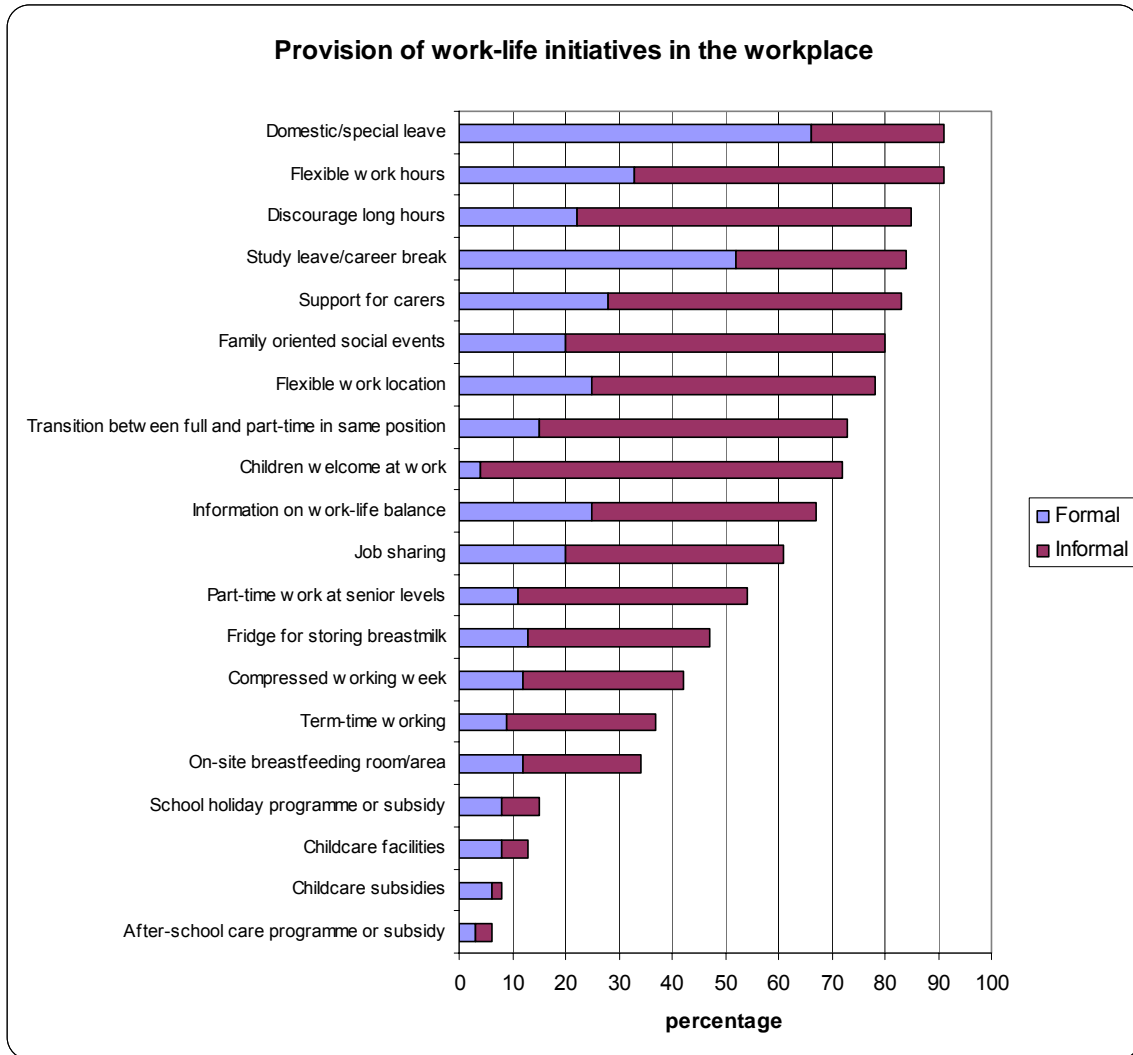
More than 50% of respondents formally or informally discourage long work hours, provide support for carers, family oriented social events, flexible work location, the ability to transition between full-time and part-time hours in the same position, part-time work at senior levels, job sharing, information on work-life balance, and welcome children in the workplace when necessary.

Flexible work hours were almost always available to all staff with only 6% of respondents saying they were for managers or senior managers only. The manufacturing sector was least likely to give flexibility to all staff, with 15% of respondents from the manufacturing sector saying only managers could work flexibly.

The work-life initiatives that are least likely to be provided are breastfeeding facilities, term-time working and compressed working weeks, and any type of childcare or subsidy, including after-school and school holiday care or subsidies.

EEO Employers Group members were more likely than non-members to provide every initiative.

Figure 4: Provision of work-life initiatives



Where comparable questions were asked, results were similar to those from the Department of Labour random sample survey of employers, as shown in Table 2.

Table 2: Comparison of survey results with Department of Labour survey²⁹

	EEO Trust %	DoL %
Flexible hours	91	92
Work from home	78	20 regularly, 41 occasionally
Study leave	84 (includes career break)	52
Job sharing	61	50

²⁹ Department of Labour 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences.

4.1 Additional initiatives

Respondents were invited to describe any other initiatives they use to encourage work-life balance. Almost one in five respondents (19% or 78 organisations) made suggestions, the most common of which related to time off work for other activities:

- Paid leave for voluntary work, charity activities, community service or sports coaching
- Ability to purchase additional leave, salary sacrifice, leave without pay
- Wellness days or weeks, mental health days as part of sick leave
- Discretionary leave eg. for appointments with doctor/dentist
- Time in lieu.

Free car parking was also frequently mentioned.

This is consistent with the findings of the 2006 Department of Labour survey³⁰ that as well as flexible start and finish times, New Zealand workers want more leave, both paid and unpaid. This finding also fits with New Zealand's relatively low annual leave provisions as mentioned earlier in this report.

Entrant in the EEO Trust Work & Life Awards 2006, **Bell Gully Barristers and Solicitors**, has a comprehensive range of work-life initiatives to help it recruit and retain skilled legal staff. Initially it offered ad hoc initiatives to accommodate the changing needs of staff but in recent years it has formally developed initiatives to ensure it is at the forefront of best employment practice. They include flexible working options, a family room at work, various leave options, support for sports teams, health and wellness initiatives including self defence training and weekly massages, and social and family events. The benefits include improved staff retention; 92% of women returned from parental leave in 2005 compared with 56% in 2003.

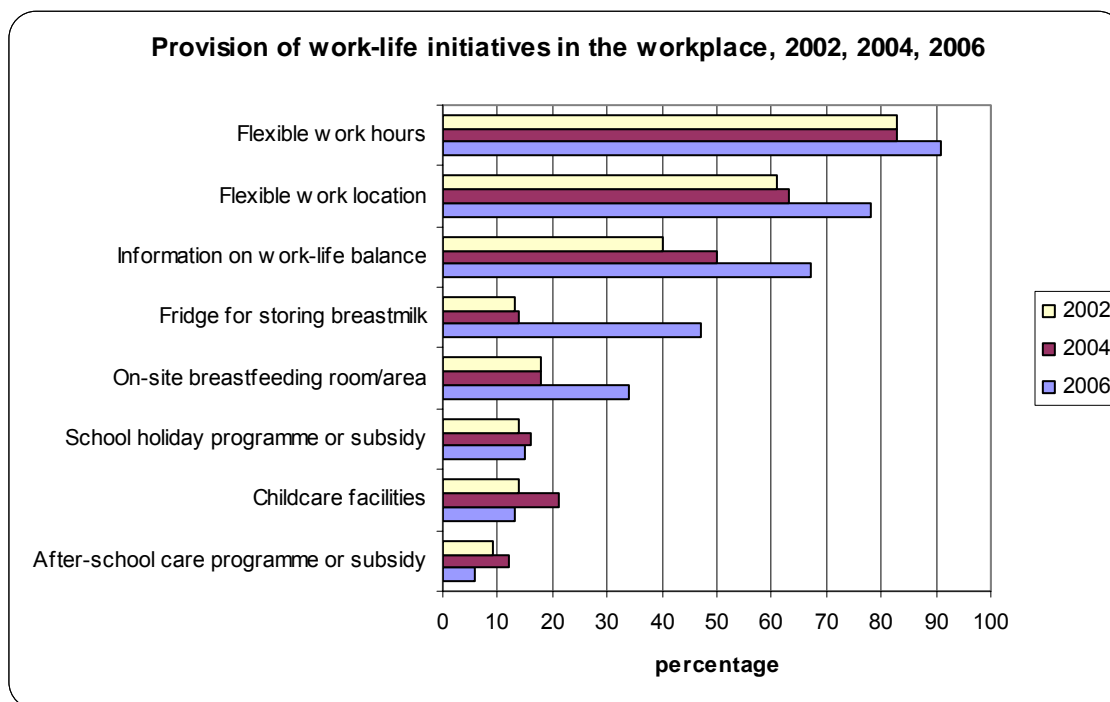
4.2 Change over time

Comparison with data from the 2002 and 2004 EEO Trust Diversity Surveys shows an increase in most of the initiatives,³¹ as shown in Figure 5. Provision of workplace childcare facilities and after-school care programmes or subsidies have declined since 2004. School holiday programmes or subsidies have also declined slightly since 2004.

³⁰ Department of Labour, 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences. www.dol.govt.nz/worklife/wlb-snapshot.pdf

³¹ Note: the large apparent increase in provision of a fridge for storing breastmilk may be due to a change in wording from "provision or support for expressing breastmilk/storage facilities" in 2004 and 2002 to "fridge available for storing breastmilk" in 2006.

Figure 5: Provision of work-life initiatives, 2002-2006



4.3 Uptake of flexible working options

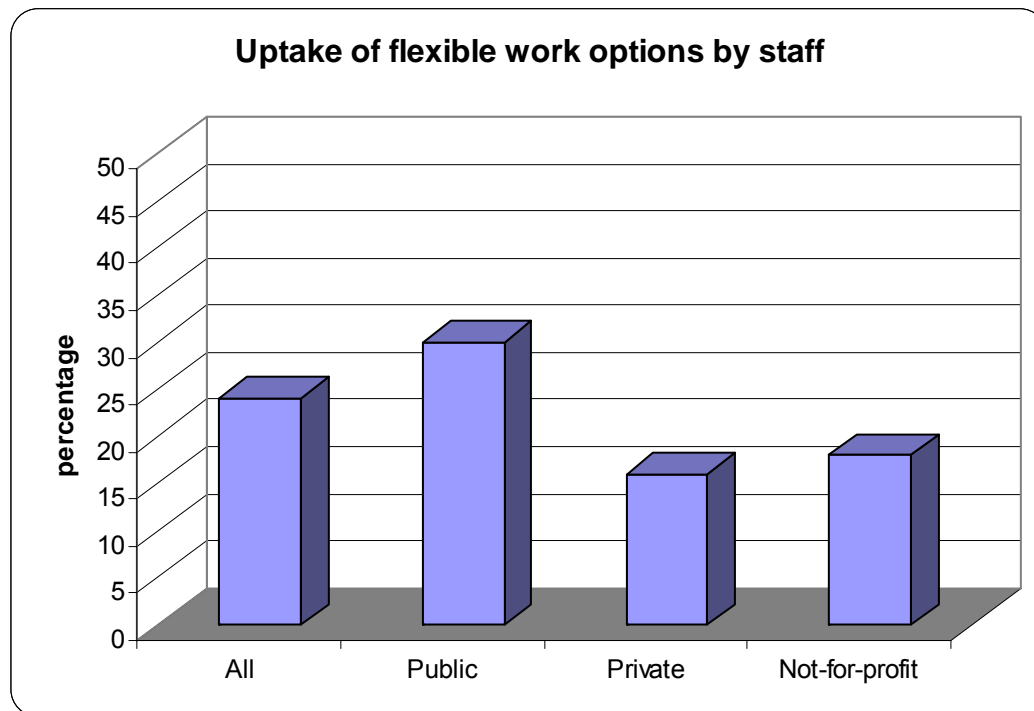
Uptake of work-life balance initiatives is related to the way work-life strategies/policies are implemented and managed.

Just over half the respondents (215) provided data on the uptake of flexible working options showing an average uptake of 24%. This means more than 21,000 of the people working for respondents are taking advantage of flexible working options. There were differences between sectors with uptake highest in the public sector (30%) and lowest in the private sector (16%).

According to Australian researchers, De Cieri et al, uptake of work-life provisions is positively related to the number of provisions available, but there is a lag between provision and uptake. They suggest that this lag may result from an organisational culture that is unsupportive of work-life balance strategies leading to employee reluctance to use the initiatives.³²

³² Helen De Cieri, Barbara Holmes, Jacqui Abbott & Trisha Pettit, 2002: Work/Life Balance Strategies: Progress and Problems in Australian Organizations. Monash University. ISSN 1327-5216.

Figure 6: Uptake of flexible working options



We rated respondents according to the number of work-life initiatives they offer and how they implement them to develop a work-life score for each respondent. Half of the organisations in the top 20% reported increased uptake of work-life initiatives compared with none of the bottom 20%.

4.4 New initiatives

Over a third of respondents, or 153 organisations, had introduced a new initiative in the previous 12 months. The majority of these related to health and wellness and included general health and wellness programmes, Employee Assistance Programmes (EAP), health checks, flu vaccinations, smoking cessation programmes, stress reduction/management, healthy eating/healthy food in cafeteria, massage etc.

Other key areas of focus in the last 12 months were identifying work-life issues among staff, developing work-life policies, paid days off for voluntary/community work, and a range of flexible working practices such as working from home, flexible hours, compressed working weeks, and purchasing additional leave.

Tailored work-life initiatives

Some respondents mentioned work-life initiatives that had been developed to suit the needs of their staff.

- School holiday programme.
“We made an arrangement with another organisation in the same building to use their school holiday programme for our staff. As we are small (55 staff), it was not practicable to arrange one ourselves so we linked into a larger organisation.”

- Purchase of play-stations for children to use in holidays and after school.
- Flexible work location.
 - “New parent given approval to work from home one day per week. One single mother given permission to pick up child from school then work from home for rest of the day (although if she chooses she can work evenings instead).”
 - “Started a project to offer remote access to our computer network to make it easier for staff to work from elsewhere.”
 - “Formal launch of our work-life programme which includes initiatives such as our emergency childcare policy. Also, intranet information/resources for staff on supporting parents in the workplace.”
 - “Expanded remote working locations to include three staff who were moving out of Auckland and would have had to resign to be able to work on a permanent basis from other locations within New Zealand.”
- Compressed working weeks.
 - “Compressed working weeks to suit shared parenting responsibilities ie. work longer on the weeks I don’t have the children and shorter on the weeks I do have the children.”
- Downshifting to suit older staff.
 - “We are investigating the option for our mature head teachers to step back into teacher positions, or mature teachers to work in job share positions.”
 - “Career balance extension policy – for those intending to retire this policy enables a shift to part-time work/reduced hours to slowly exit the organisation and adjust to retirement.”
- Special leave.
 - “Granted leave of absence for a young team member to play rugby in Hong Kong for six months.”
 - “Career break policy targeted at those wanting to go overseas, take time out from career path – provides the opportunity for two years leave without pay (as a result of young staff taking time out for their OE but a way to increase getting talent back into the organisation).”
- A floating cultural holiday.
 - “We’ve started a new immigrants programme for our overseas employees. The aim of this programme is to assist our new overseas staff with getting acclimatised to New Zealand. We also hope that this programme will also provide an internal support network for our new overseas staff.”
- Purchasing extra leave rather than unpaid leave.
 - “An additional two weeks leave can be purchased by reducing annual salary by one to two week’s pay. This way there is extra leave ‘without pay’ but no harsh effect on one month’s pay packet as it is spread throughout the year’s pay.”

- Discretionary leave.
“Provision of personal leave rather than sick leave per se, so employees can take leave to support children or aged parents as required.”

4.5 How we compare

The patterns in provision of work-life initiatives in the UK are similar to those in New Zealand. The UK Second Work-Life Balance Study Employers' Survey,³³ a national random sample survey, found that 38% of employers offered flexible working hours, which is similar to the 35% found in a national survey in New Zealand.³⁴

The UK survey also found low provision of childcare support; 3% of workplaces provided on-site childcare facilities, and 2% offered some financial assistance with childcare costs.

An Australian survey³⁵ found that 59% of staff had access to flexible hours, 34% to job sharing, 30% had career break options, 63% study leave, 16% compressed working week, and 33% work from home on ad hoc basis.

A survey of companies in 21 European countries³⁶ found that in just over half of the organisations it is possible to shift between part-time and full-time work. Just under half (48%) offered some kind of flexibility with hours. Flexitime was employees' preferred initiative, followed by a general reduction in weekly working hours, and phased and early retirement options. Only 3% provide on-site childcare, with a further 2% providing other forms of professional care paid for by the company.

4.6 Supporting parental leave

The Government currently funds 14 weeks paid parental leave for people who meet the conditions of the Parental Leave and Employment Protection Act. The maximum payment is \$372.12 per week before tax. Thirty per cent of respondents to the EEO Trust Work-Life Survey provide paid parental leave over and above these provisions. This compares to 35% of respondents to the 2004 EEO Trust Diversity Survey.

Topping up leave is more common in the public sector (37%) than the private or not-for-profit sectors (25% each). EEO Employers Group members were three times more likely than non-members to provide additional paid parental leave (37% to 13%).

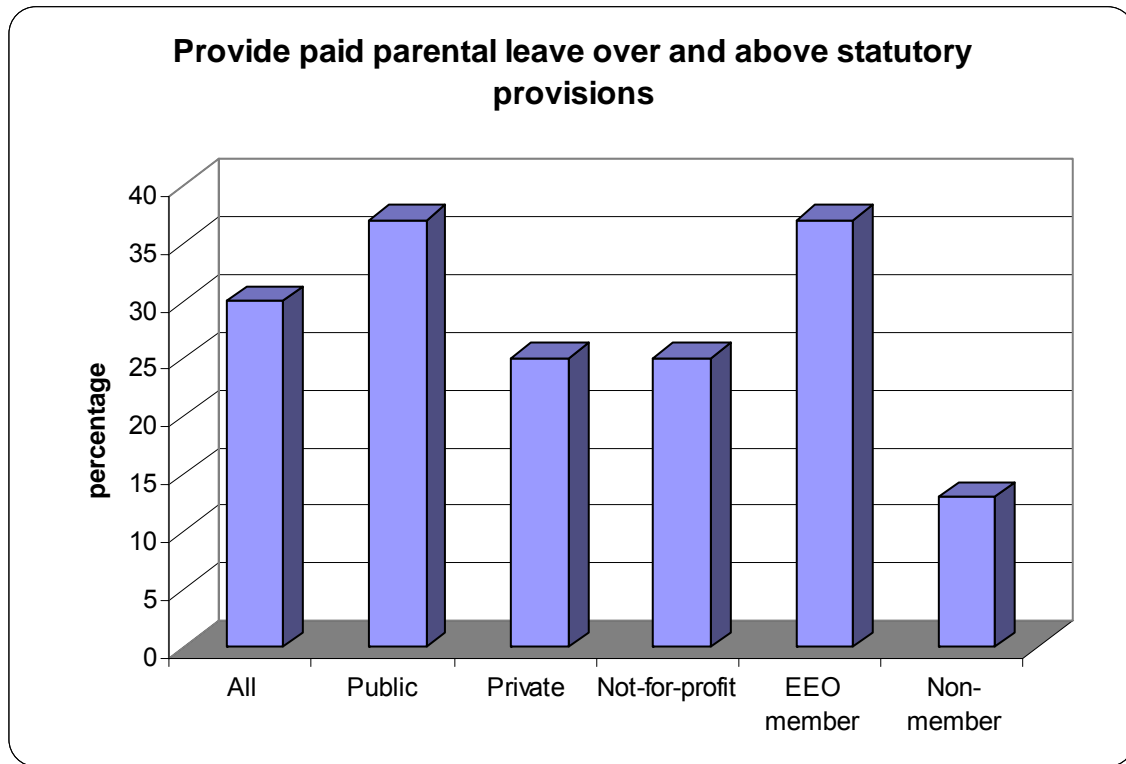
³³ DTI (Dept of Trade & Industry) 2003. www.dti.gov.uk

³⁴ Sweeney Research, 2004: Mobility and mistrust. A report commissioned by Toshiba (Australia) Information Systems Division into the attitudes of managers and employees in Australia and New Zealand towards flexible working. www.isd.toshiba.com.au

³⁵ Managing work/life Balance, Work/Life Initiatives, the way ahead report on the year 2005 survey. www.worklifebalance.com.au

³⁶ European Foundation for the Improvement of Living and Working Conditions, 2006: Working time and work-life balance in European companies. Establishment survey on working time 2004-2005. www.eurofound.eu.int

Figure 7: Additional paid parental leave



Six weeks extra paid leave is the most common provision. A number of organisations provide 12 weeks extra, and one provides an extra 14 paid weeks on top of the Government leave, making six months in total. The length of the extra leave provided sometimes varies according to the number of years an employee has worked for the organisation.

Some organisations make the extra parental leave payment dependent on returning to work and/or staying for a period of time after returning. Others make a partial payment at the beginning of the leave, or before as a “pregnancy health” leave payment.

“A bonus paid six months after return from parental leave to top the statutory payment up to full pay.”

“Ex gratia payment of 30 days salary once further six months with the organisation has been completed after return from leave.”

“Six weeks paid leave is offered – two weeks at commencement of parental leave and four weeks after three months service after return from parental leave.”

Some organisations top up the amount paid by the Government, either to the full normal salary amount, or a proportion of it.

“Top up to 100% of salary in addition to Government contribution for eight weeks.”

“We top up the Government subsidy to 100% of base salary for the 14 weeks for primary caregiver and two weeks on full pay for the secondary caregiver.”

“Top up salary to two-thirds of normal and pay return to work incentive, including flexible hours for the first two months.”

One organisation has amended its policy to allow paid parental leave to be taken any time in the first year.

More than half (57%) of the organisations providing additional paid parental leave offer extra leave for the partner of a parent taking extended leave. Private sector organisations (68%) were more likely than those in the public sector (47%) to provide leave to the partner of the primary caregiver. This is usually for one or two weeks, but sometimes the full extra paid parental leave is available to either parent.

“Paid partner’s leave of up to five days at the time a child is born or adopted. It is leave that can be taken in half days or more over a three month period, if preferred, and is additional to unpaid partner’s leave under the Employment Protection and Parental Leave Act.”

Almost all respondents (91%) keep in touch with staff who are on parental leave.

Of those staff who had taken parental leave period, 79% returned to work and 21% resigned.

Almost a quarter of the respondents that knew their parental leave return rate (23%) said that it had improved during the past 12 months. For the majority (71%) it was stable and for 6% it was worse.

Around half (52%) of the respondents ask staff who do not return from parental leave the reason for their decision.

Increased parental leave return rate

We rated respondents according to how they implement work-life initiatives and the number of work-life initiatives they offer to develop a work-life score for each respondent. An increased return rate from parental leave in the last 12 months was more likely among the organisations in the top 20%.

How we compare

In the UK,³⁷ 11% of the workplaces surveyed provide parental leave beyond the statutory minimum. The 2005 Australian Work Life Initiatives survey³⁸ found that the parental leave return rate had increased over the past 12 months for 21% of respondents.

³⁷ DTI (Dept of Trade & Industry), 2003: The UK Second Work-Life Balance Study Employers’ Survey. www.dti.gov.uk.

³⁸ Managing Work/Life Balance, 2005: Work Life Initiatives – the Way Ahead Report on the Year 2004 Survey. www.worklifebalance.com.au

5. Health and wellness

Supporting employees to be healthy and well is increasingly recognised as an important aspect of encouraging work-life balance. Just over half (55%) of respondents have a health and wellness programme and a further 18% are considering introducing one. These programmes are mostly located in human resources area (66%), with the rest mainly being in safety (9%), occupational health (7%) and health promotion (3%).

Health and wellness programmes are much more common in the public sector (71%) than the private sector (47%). They are also more likely to be a human resources responsibility in the public sector (74%) than the private sector (53%) or the not-for-profit sector (58%).

Table 3: Area responsible for health and wellness programmes

	All	EEO members	Public	Private	Not for profit
	%				
Human resources	66	69	74	58	58
Safety	9	5	3	18	0
Medical/ occupational health	7	7	6	8	0
Health promotion	3	2	6	1	0
Marketing	0	0	0	0	0
Other	15	18	12	16	42

Most respondents with a health and wellness programme have a health and wellness manager (18%), co-ordinator (26%) or health and wellness team (19%). "Other" responses included designated contact person in HR or health and safety departments, or the position is covered by a number of different roles but they do not act as a team.

Table 4: Designated leadership of health and wellness programmes

	All	EEO members	Public	Private	Not for profit
	%				
Manager	18	18	15	23	14
Co-ordinator	26	23	24	27	36
Team	19	20	25	14	7
Other	24	26	26	21	36
No response	13	13	11	16	7

Fourteen per cent of respondents have offered health and wellness programmes for more than ten years, and 28% for four to ten years. But there has been a more rapid increase recently, with 58% of respondents introducing programmes in the past three years. This recent increase is greater in the private sector while the longer term programmes are more likely to be in the public sector.

Most organisations with health and wellness programmes (61%) reported that participation in the programmes has increased since their inception. Only 2% reported a decline in participation. For 38%, participation rates have remained the same.

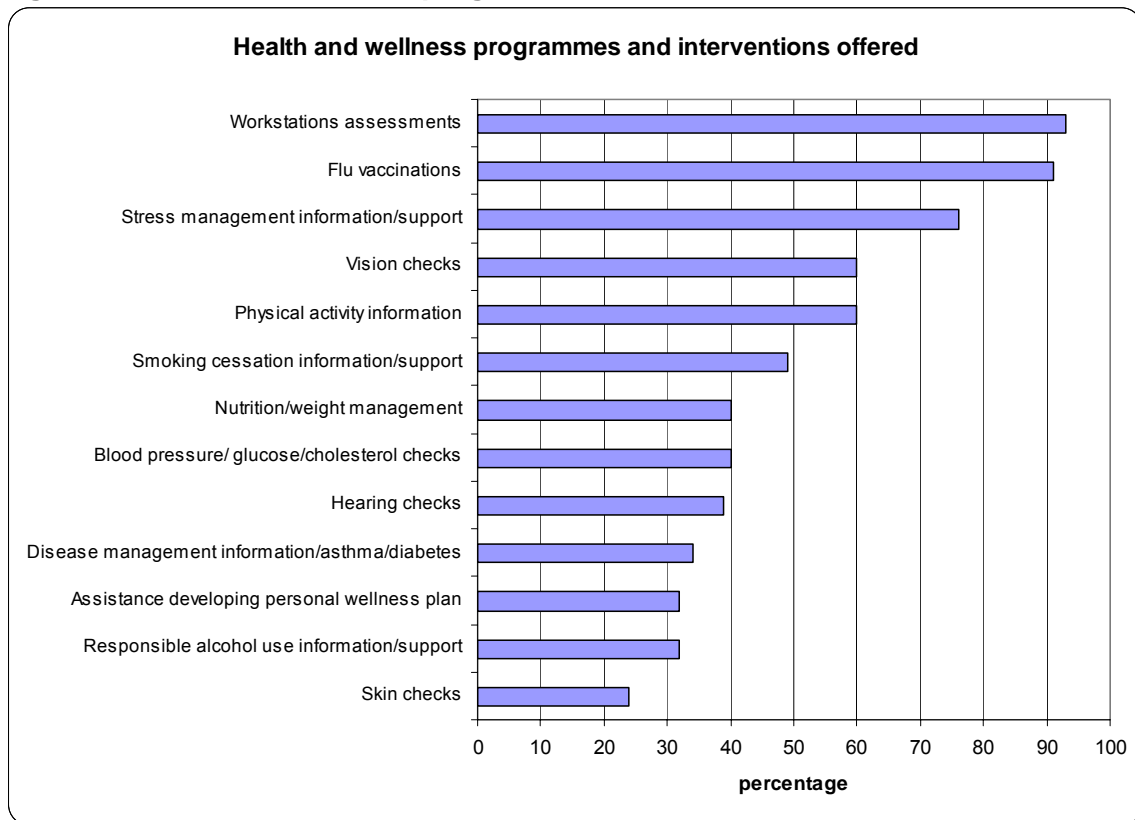
Health and wellness programmes are almost always available to all staff (97% of organisations). The organisations that limit access to managers or senior management are all in the public sector.

5.1 Health and wellness programmes and interventions

The most common health and wellness programmes and interventions offered are workstation assessments (93%), flu vaccinations (91%) and stress management information/support (76%).

Vision checks, physical activity information and smoking cessation information/support are offered by 50-60% of respondents with health and wellness programmes.

Figure 8: Health and wellness programmes and interventions



There were some differences between the sectors in the type of health and wellness programmes or interventions offered, as shown in Table 5.

Table 5: Health and wellness programmes and interventions

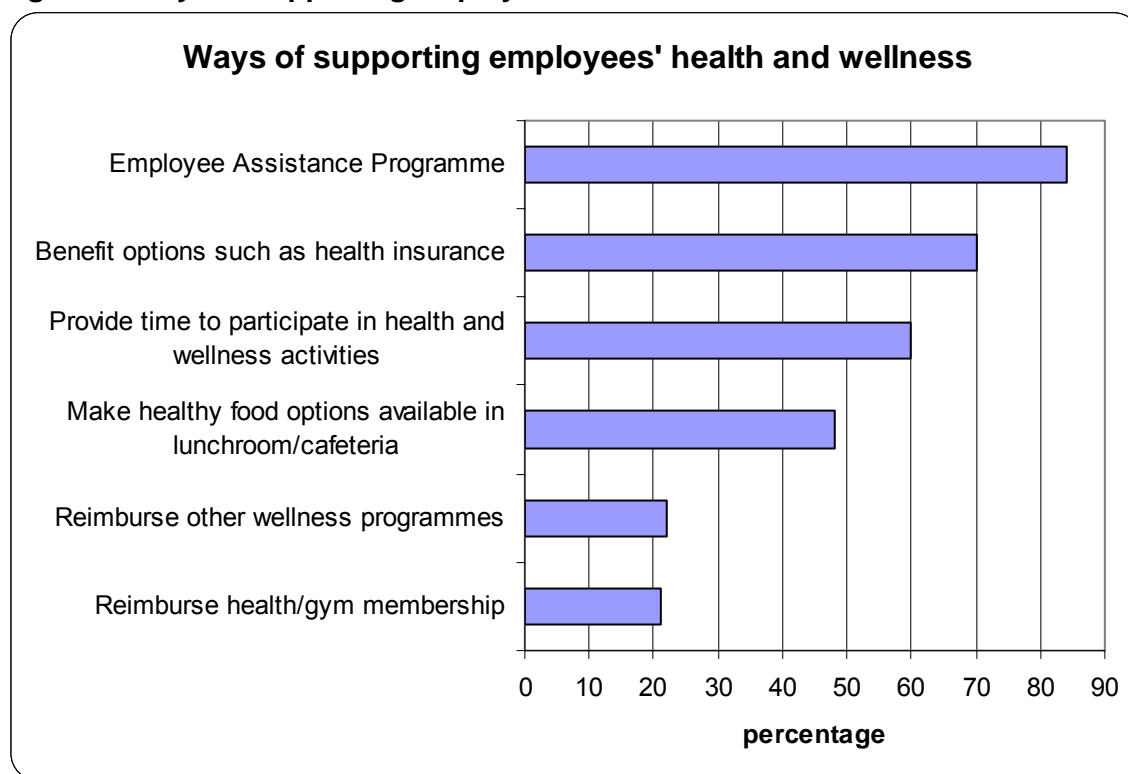
	All	EEO members	Public	Private	Not for profit
	%				
Workstation assessments	93	95	97	88	92
Flu vaccinations	91	92	96	87	77
Stress management information/support	76	78	78	74	77
Vision checks	60	65	75	45	46
Physical activity information	60	63	65	57	39
Smoking cessation information/support	49	52	54	44	54
Nutrition/weight management	40	40	38	43	31
Blood pressure/glucose/cholesterol checks	40	40	41	41	23
Hearing checks	39	38	37	40	46
Disease management information eg. asthma, diabetes	34	33	33	37	23
Assistance developing personal wellness plan	32	31	30	32	39
Responsible alcohol use information/support	32	29	27	38	31
Skin checks	24	24	26	25	8
Other	35	33	36	35	23

A third of respondents mentioned initiatives other than those listed, the most common being regular medical checks (from annual to five yearly), in-house massage, and job specific health checks (eg. lung function tests).

5.2 Supporting employees' health and wellness

The next question asked specifically about the range of ways employers support health and wellness, which included EAP and health insurance. EAP is offered by most organisations that have health and wellness programmes (84%). Other benefit options, such as health insurance, are the next most common support, with 70% of respondents providing them.

Figure 9: Ways of supporting employees' health and wellness



The public sector was more likely than the private sector to offer most of these types of support, as shown in Table 6.

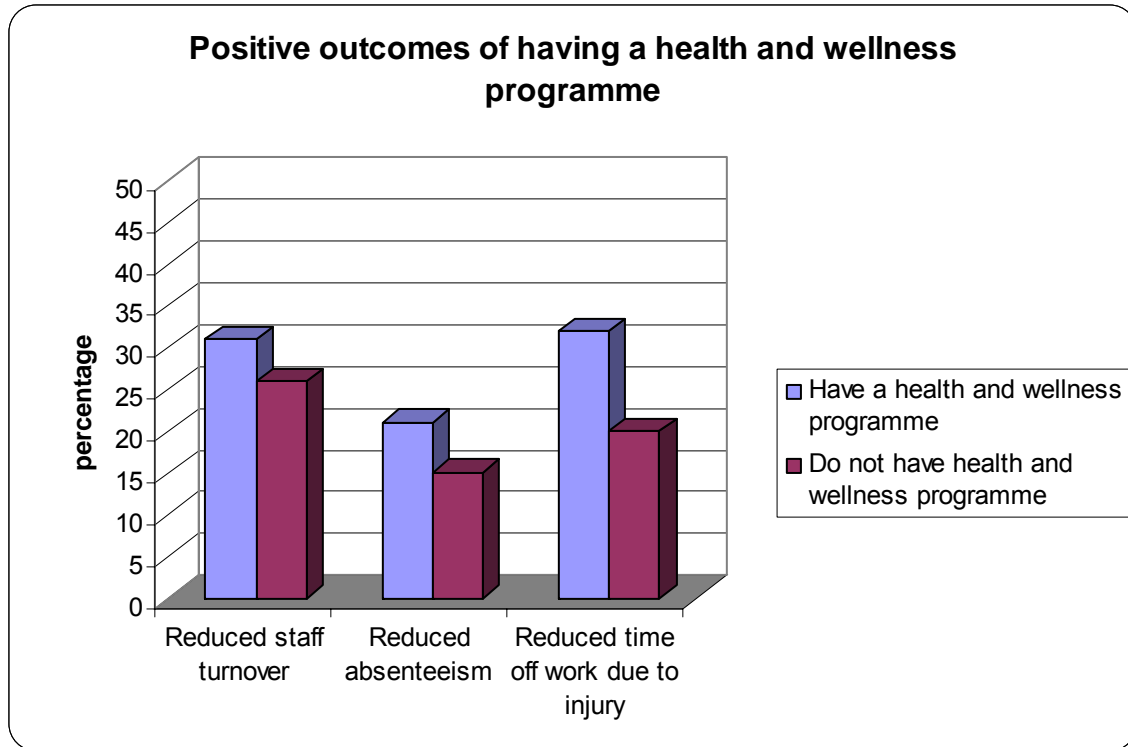
Table 6: Ways of supporting employees' health and wellness

	All	EEO EG members	Public	Private	Not for profit
	%				
Employee Assistance Programme	84	92	92	77	69
Benefit options such as health insurance	70	72	71	72	46
Provide time to participate in health & wellness activities	60	65	63	56	69
Make healthy food options available in lunchroom/cafeteria	48	54	51	45	46
Reimburse other wellness programmes	22	24	24	19	31
Reimburse health/gym club membership	21	24	20	21	31

5.3 Positive outcomes of health and wellness programmes

Respondents with a health and wellness programme had greater reductions in absenteeism, time off work due to injury and staff turnover in the previous 12 months than respondents without health and wellness programmes, as shown in Figure 10.

Figure 10: Positive outcomes of health and wellness programmes



5.4 How we compare

An Australian work-life survey³⁹ found that a third of organisations offered health, wellbeing and sporting programmes to all staff.

One entrant in the EEO Trust Work & Life Awards 2006 was **Vodafone** which energetically supports staff health and wellbeing. Its initiatives include a wellbeing programme, an “online pocket personal trainer”, a massage service, a wellbeing expo, and support for staff to participate in a major sporting event. The initiatives have contributed to a significant drop in sick leave, saving around \$500,000 per year. Staff turnover is also down, saving around \$300,000 per year.

³⁹ Managing Work/Life Balance, 2005: Work Life Initiatives – the Way Ahead Report on the Year 2004 Survey. www.worklifebalance.com.au

6. Strategies and policies

Almost two-thirds of respondents to the EEO Trust Work-Life Survey (62%) said they had a strategy or policy endorsing work-life balance. This compares with 86% of organisations responding to the 2005 EEO Trust Diversity Survey saying they had an EEO/diversity strategy or policy. This year, public and not-for-profit organisations are more likely to have a strategy or policy than private sector organisations. Members of the EEO Employers Group are more likely to have a work-life policy or strategy than non-members.

Table 7: Have a strategy or policy endorsing work-life balance

All	EEO EG members	Public	Private	Not for profit
%				
62	70	66	58	65

6.1 Location of strategy or policy

Research shows that having a diversity policy or strategy integrated into an organisation's core objectives or strategies⁴⁰ or linking work-life issues with organisational values⁴¹ results in better outcomes.

Just under half (47%) of the respondents with a work-life policy or strategy said that it is integrated into the organisation's strategic objectives. The remainder reported that their work-life policy or strategy is located at HR level. Integration at the strategic level is highest for EEO Employers Group members (52%).

Table 8: Work-life policy/strategy integrated into strategic objectives

All	EEO EG members	Public	Private	Not for profit
%				
47	52	47	50	36

In the Australian Work/Life Initiatives survey,⁴² between a quarter and a third of organisations regarded work-life issues as a strategic business issue.

6.2 Implementation of work-life strategies

Research shows that a series of steps are critical to successfully implement work-life policies or strategies. These are:

⁴⁰ Rutherford, S. and Ollerearnshaw, S. 2002: The business of diversity. How organisations in the public and private sectors are integrating equality and diversity to enhance business performance. Schneider-Ross. www.schneider-ross.com and www.globaldiversitynetwork.com
Opportunity Now, 2004: Diversity dimensions. Integration into organisational culture. www.bitc.org.uk

⁴¹ Managing work/life Balance, Work/Life Initiatives, the way ahead report on the year 2005 survey. www.worklifebalance.com.au

⁴² ibid

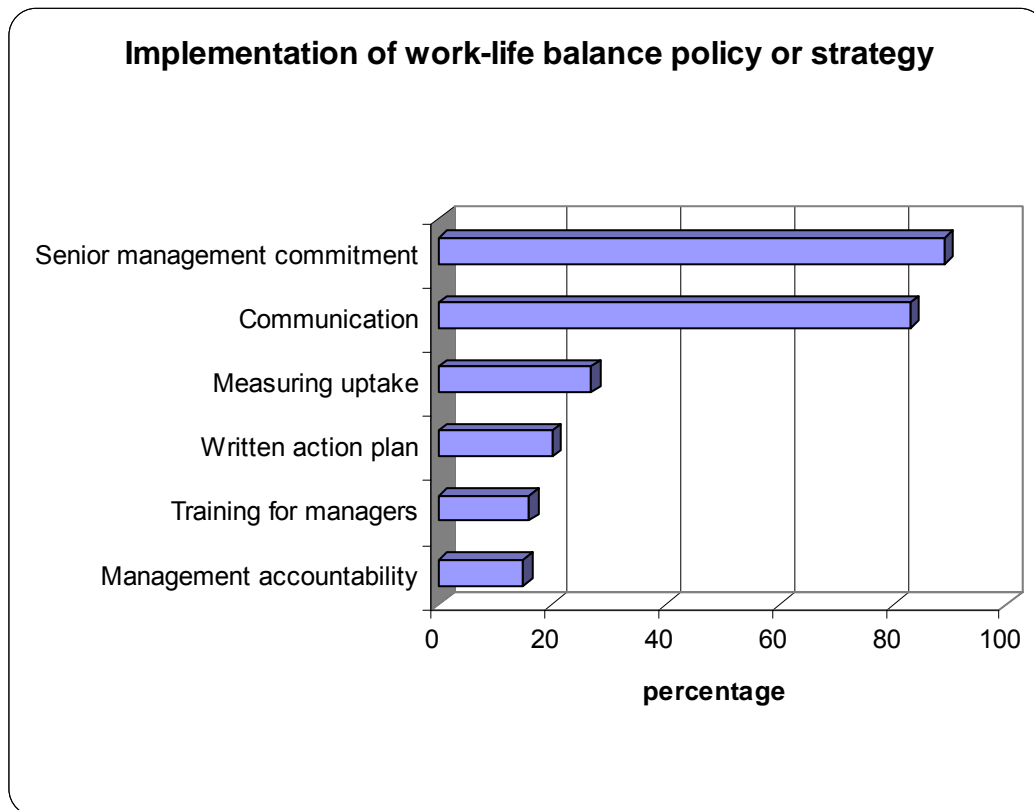
- Demonstrated commitment by senior management
- A written action plan
- Communication of the policy or strategy throughout the organisation
- Training managers in work-life balance initiatives and making them accountable for their implementation
- Measurement of the implementation and outcomes, such as uptake of work-life initiatives.

Eighty-nine per cent of respondents reported that senior management demonstrate commitment to work-life balance in some way:

- Role modelling of work-life balance practice (58%)
- Providing resources for someone to manage and monitor work-life balance issues (45%)
- Providing resources for work-life balance awareness training (27%).

Fifteen per cent of respondents said accountability for work-life balance is built into managers' performance contracts with similar numbers providing training in work-life issues for managers.

Figure 11: Implementation of work-life balance policy or strategy



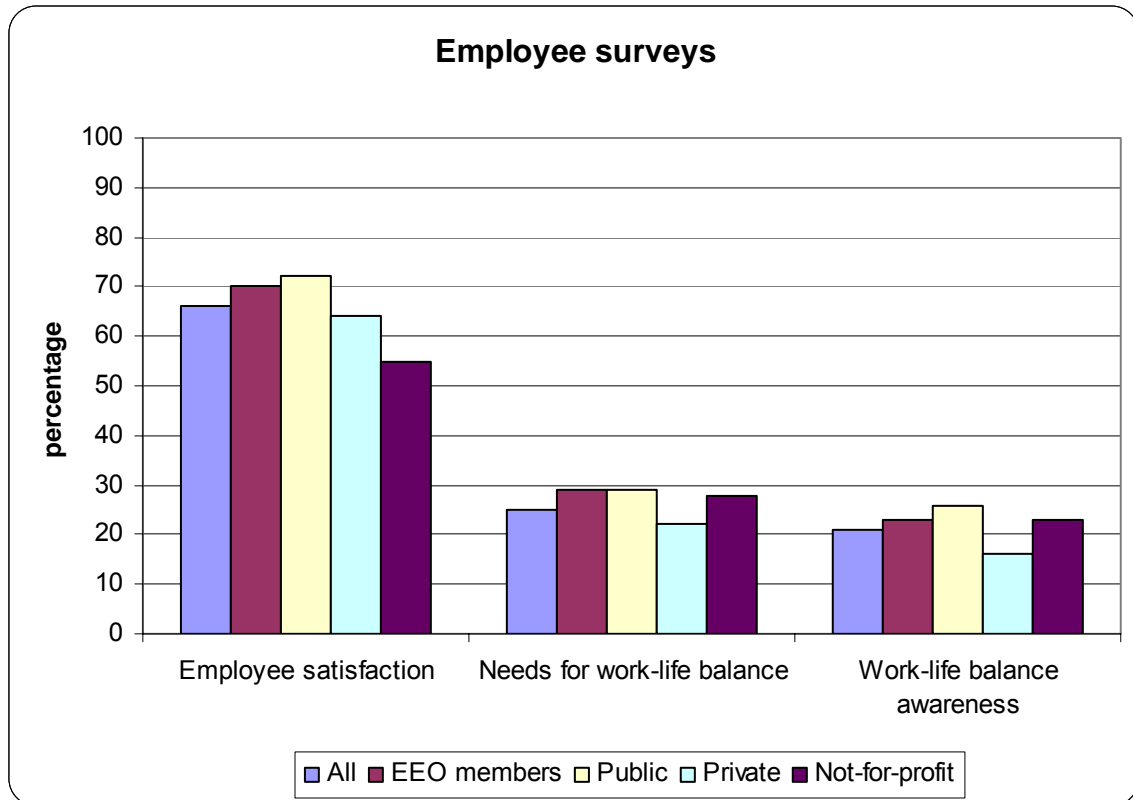
A range of methods are used to communicate work-life balance policies or strategies, with 83% of organisations using at least one form of communication, 51% using three or more forms, and 35% using four or more. During staff induction was the most common (51%), followed by staff meetings (42%), a written policy (39%), and the intranet (38%). Only 19% of respondents communicated work-life policies or strategies in staff contracts.

6.3 Finding out what staff want

Seventy per cent of respondents conduct staff surveys and 66% conduct employee satisfaction surveys, however, only a quarter specifically survey staff to find out about their work-life balance needs, and 21% survey staff to find about their awareness of work-life balance in their organisation.

The private sector is less likely than other sectors to use surveys to ask staff about their work-life balance needs and awareness, as shown in Figure 12.

Figure 12: Employee surveys

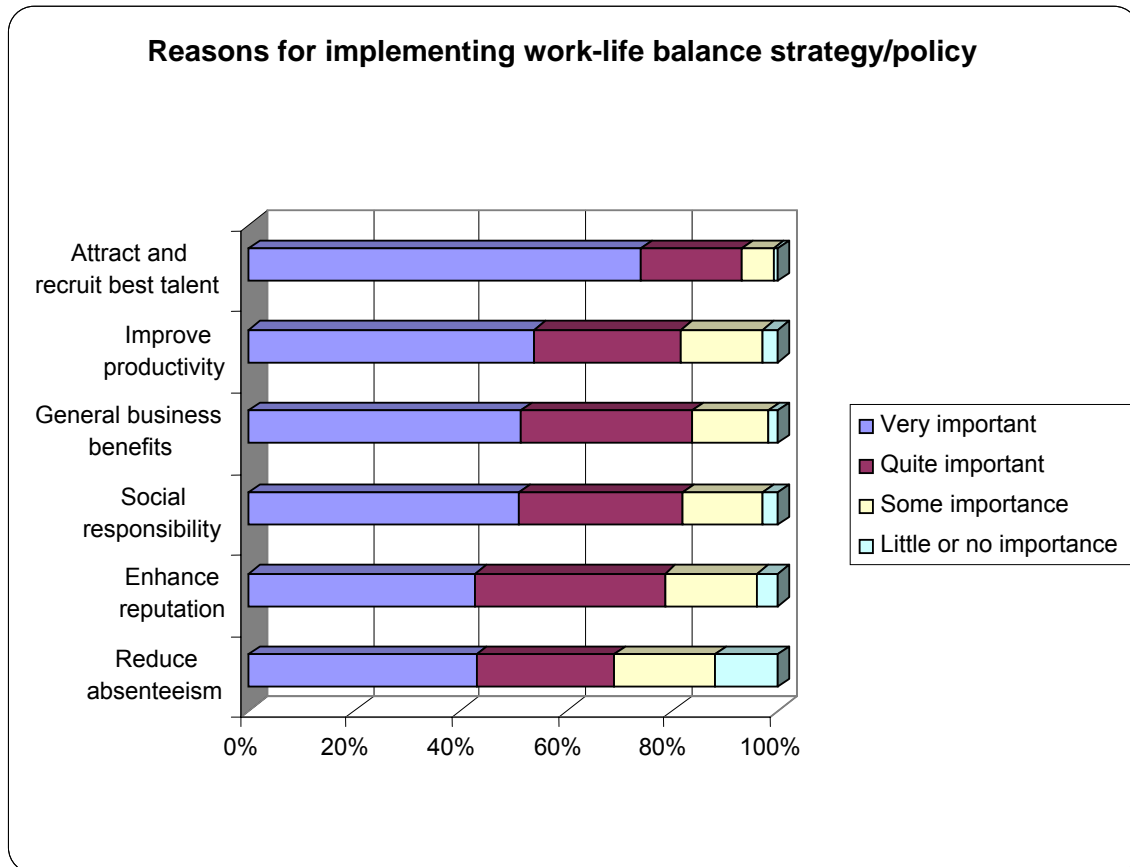


7. Why workplaces support work-life balance

Recruitment issues are the key driver for work-life balance initiatives, followed by improved productivity, general business benefits and social responsibility.

EEO Employers Group members rated every reason more highly than non-members, perhaps reflecting a greater awareness of the benefits of work-life balance initiatives.

Figure 13: Reasons for implementing work-life balance strategy/policy



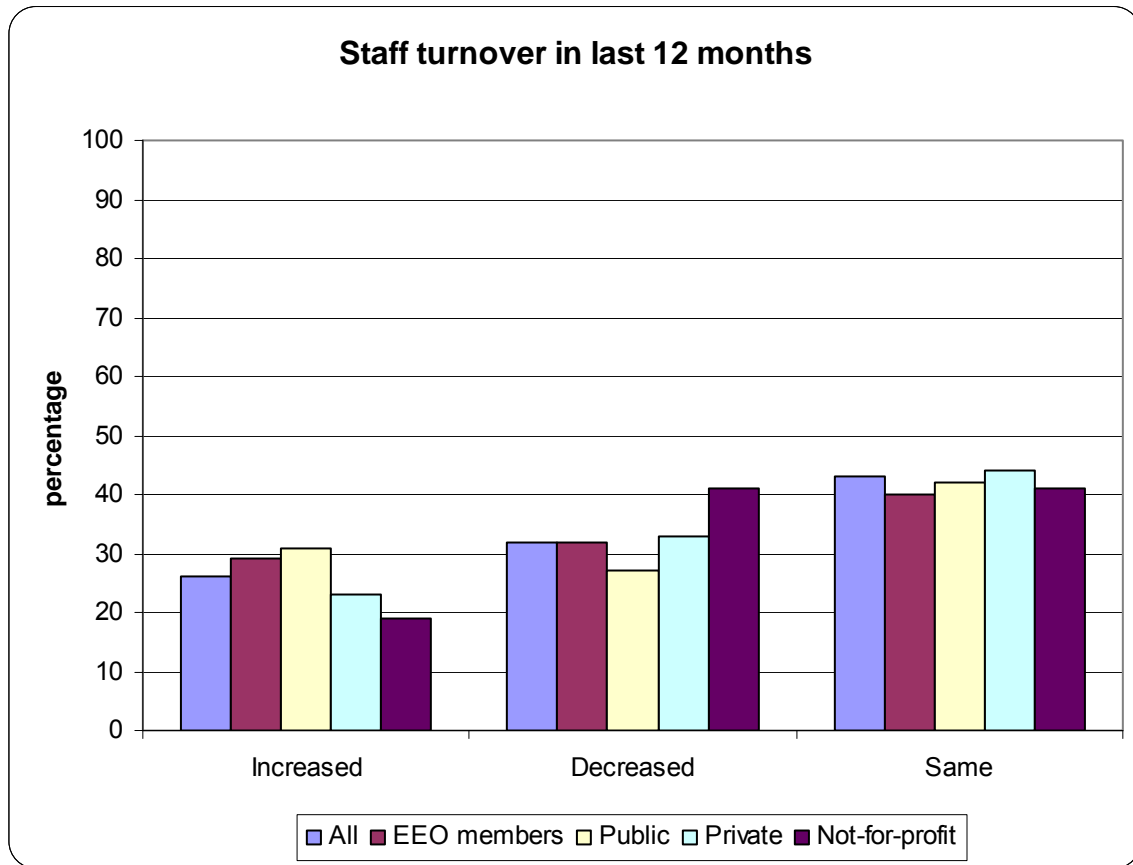
7.1 Effects of supporting work-life balance

The positive outcomes of implementing work-life balance policies or strategies in Australia, the UK and the US include reduced staff turnover, reduced absenteeism, increased productivity, and increased staff satisfaction. The following section describes the outcomes in New Zealand as revealed by the EEO Trust Work-Life Survey.

Staff turnover

Most respondents said staff turnover had decreased (32%) or stayed the same (43%) over the past 12 months. Twenty six per cent reported an increase.

Figure 14: Staff turnover in last 12 months



Entrant in the EEO Trust Work & Life Awards 2006, **INSIGHT Specialists in Assessment and Rehabilitation**, says its work-life initiatives contribute to low staff turnover and minimal use of sick leave. Recruitment and retention of skilled health professionals is critical to the success of this South Island company. One staff member said, “Staged return to work after parental leave has been a big contributing factor in my decision to return to work.”

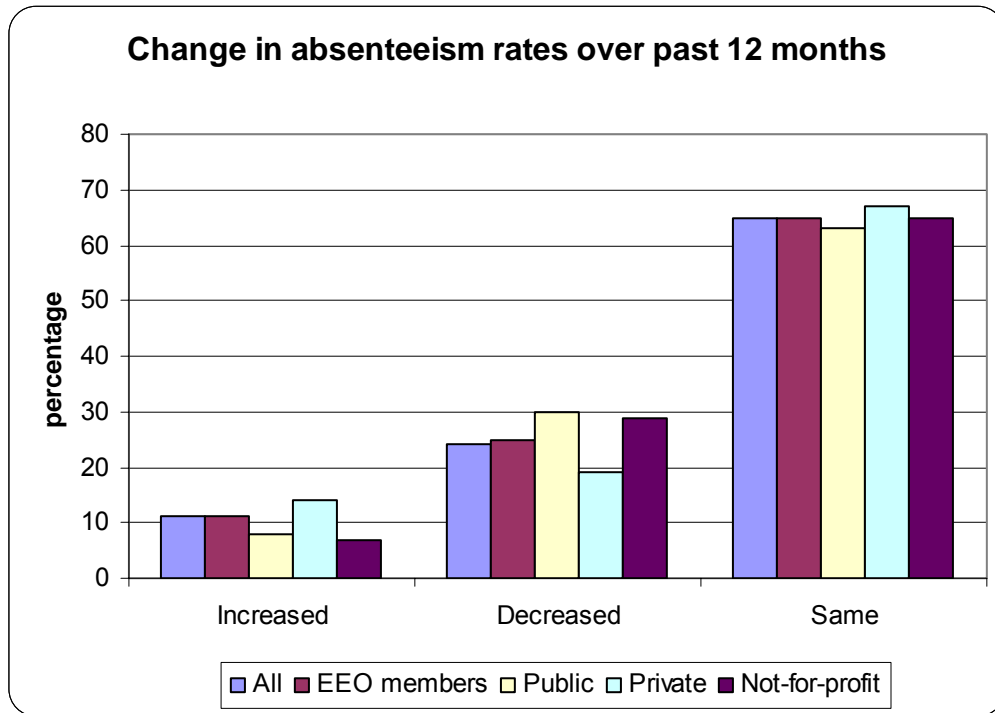
The steps involved in implementing a work-life policy or strategy that were associated with the greatest improvements in staff turnover were senior management commitment and communication of the work-life policy or strategy, followed by management accountability, and surveying staff about their work-life needs or job satisfaction.

Organisations that discourage long hours are more likely to report a reduction in staff turnover in the past 12 months (32%) than those which do not discourage long hours (19%). The same applies to those that show support for carers (32%) compared to those that do not.

Absenteeism

Three-quarters of respondents provided information on changes in absenteeism over the past 12 months. Most (65%) reported that it had stayed the same, 24% reported a decrease and 11% an increase.

Figure 15: Changes in absenteeism rates in past 12 months



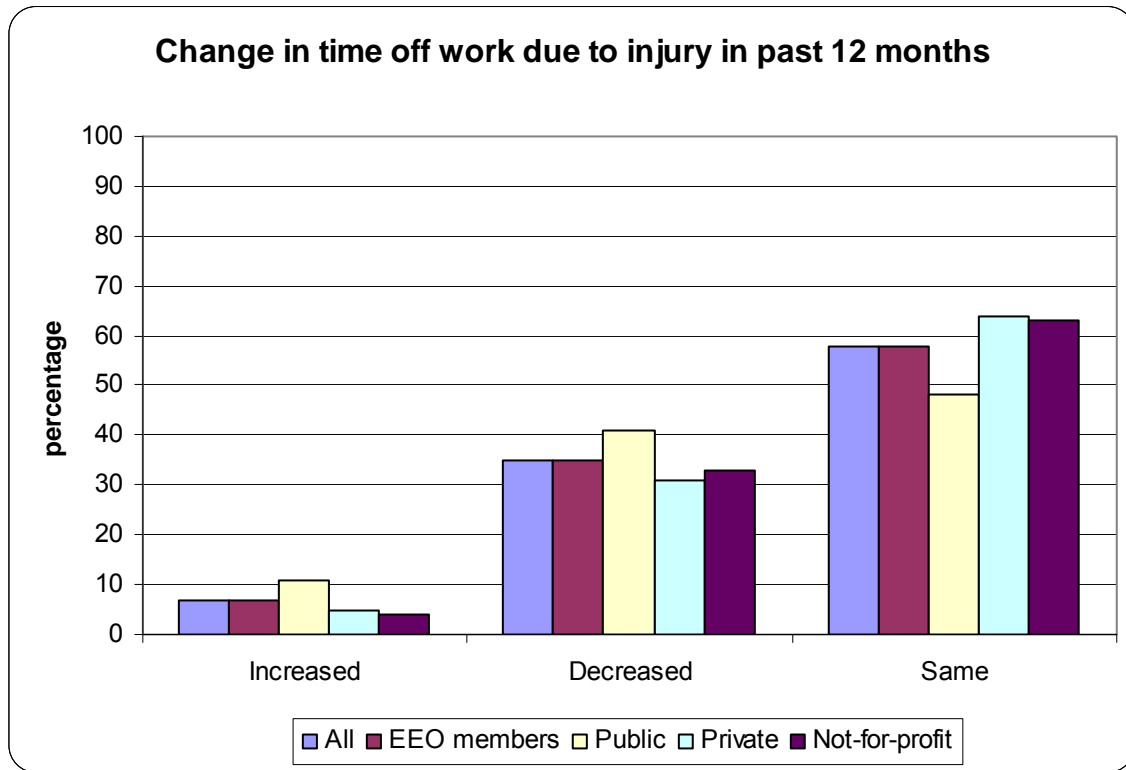
Having a written action plan and making managers accountable for implementation of work-life initiatives were the two implementation steps most strongly associated with a decrease in absenteeism.

Time off work due to injury in last 12 months

Three-quarters of respondents provided information on changes in the amount of time off work due to injury over the past 12 months. Most (58%) reported that it had stayed the same, 35% reported a decrease, and 7% an increase.

Organisations with a health and wellness programme were most likely to report a decrease in time off work due to injury; a third of respondents with a health and wellness programme reported a decrease compared to a fifth of organisations without a health and wellness programme.

Figure 16: Change in time off work due to injury in past 12 months



7.2 Best practice and its results

We rated respondents according to the number of work-life initiatives they offer and how they implement them to develop a work-life score for each respondent. We then compared the outcomes relating to staff turnover, absenteeism, and parental leave return rates for the organisations with the top 20% work-life survey scores against those in the bottom 20%.

There is a positive relationship between decreased staff turnover and work-life best practice. Those organisations with the top 20% work-life survey scores were more likely to report decreased staff turnover in the last 12 months (31% compared with 23% for the bottom 20%).

There is also a positive association between decreased absenteeism and work-life best practice with respondents in the top 20% work-life survey scores were more likely to report decreased absenteeism in the last 12 months (25% compared with 13% in the bottom 20%).

An increased return rate from parental leave in the last 12 months was also more likely among the organisations in the top 20%.

Figure 17: Best practice outcomes in last 12 months



7.3 Impacts on performance

Respondents to the EEO Trust Work-Life Survey were invited to describe how their work-life balance initiatives impacted on their productivity or profitability. Their responses mainly referred to attraction or retention of staff, particularly those with special skills. Many respondents also mentioned reduced absenteeism and injury rates, high or increased staff loyalty, commitment, morale and discretionary effort (eg. improved performance and working extra hours when needed), and improved parental leave return rates.

It is difficult to categorically state that work-life initiatives are responsible for improved recruitment, retention and reduced absenteeism but some respondents provided evidence from staff surveys.

Some examples:

“Staff surveys and exit interview data indicate that the work-life balance at our organisation is positive in terms of retention.”

“Staff survey results confirm that work-life balance initiatives enhance our appeal as an employer, building commitment, retention and work performance.”

Another respondent compared areas with work-life initiatives against those without: “Overall productivity has increased in areas of our large organisation where work-life initiatives are available.”

“10,000 steps programme designed to get relatively inactive people up and walking at least 10,000 steps per day. Those who undertake programme show a lower level of absenteeism than the organisational average.”

Also, in line with research from the UK,⁴³ some respondents said that encouraging work-life balance does not negatively impact on productivity or profitability. For example, one said, “A formal policy on overtime hours has improved the management of employees’ work hours. Productivity has not suffered as a result and people are not being stressed and exhausted.”

Other examples follow:

Productivity and profitability

“By giving employees the option of returning to work on a part-time basis we have been able to retain people who know us and our clients very well. Over time we expect this to give us an advantage in maintaining long-term client relationships.”

“Employing a part-time experienced senior person returning from parental leave instead of a full-time inexperienced person has provided a higher calibre of service and support to clients, has not incurred the company any additional cost and has greatly improved our productivity and profitability.”

“Key aspects of the programme have been in place for many years now. Early positive effects on stability and staff effectiveness were noticeable. Those effects continue to be positive and are an important factor in recruitment, retention and productivity.”

Recruitment

“Being more flexible in working arrangements has meant we have been able to fill positions that we were struggling to fill.”

“Increased numbers of well qualified candidates for jobs.”

“Most of our work is low-skilled and doesn’t attract high-quality applicants. Because we are in a suburban location we found that by changing the work hours to fit in with school times, we have been able to attract high-quality staff whose current priority is their family.”

“Our work-life balance initiatives have had an impact on recruiting staff. Being connected to the network from home certainly has helped get the balance right with a young family or other external commitments. For example, making time off during the day to attend your child’s sports day, then making up the time later in the evening once they have gone to bed.”

⁴³ Bloom, N., Kretschmer, T. and van Reenen, J. 2006: Work-life balance, management practices and productivity, London School of Economics.

“The firm’s work-life balance initiatives have attracted high calibre candidates when recruiting. They are impressed by the fact that the partners/owners lead by example. We currently have two part-time female partners, and one male partner who takes half a day off each week to help coach his son’s rugby team. We also have two partners who start work early and finish early to cater for their families’ needs. We also have one senior staff member who works four days per week to spend time with her family and another who works four days a week to carry out her St Johns Ambulance voluntary work.”

“The ability to buy leave has increased the attractiveness of [our company] as an employer. The work-life brand we have developed has made us generally a more attractive employer.”

“New staff mention the firm’s reputation for work-life balance as part of the reason they join the firm.”

“Flexible hours to get around traffic problems have allowed us to employ people from the North Shore.”

“We now find that new staff come to us knowing about us and our culture and wanting to be part of our team having heard about us from others.”

Retention

“Reduced staff turnover, improved customer service, profitability has improved.”

“Work-life balance initiatives implemented by the firm have helped retain key staff and also attracted key senior alumni back to us.”

“Approval of periods of extended leave without pay to high performing individuals has enabled them to take advantage of other opportunities in their lives whilst still retaining a link and opportunity to return to our organisation.”

“A number of employees have reduced their hours from full-time to part-time in order to accommodate their commitments outside the workplace. This has allowed us to retain employees who may have otherwise left our organisation.”

“We have retained the experience of a mother with young children by letting her work part-time and flexible hours.”

Parental leave return rate

“More likely to get staff returning to organisation after parental leave now that we offer flexible working arrangements.”

“All staff members on parental leave are returning to work – all are senior solicitors/partners.”

“Both maternity and paternity leave have been successfully taken up by employees and has enabled the retention of critical talent.”

“We have a very high percentage of employees return from parental leave due to the flexible working hours offered and the money offered. This reduces turnover and assists us in retaining talented staff. Staff returning from parental leave have been at all levels of the organisation from junior employees to senior managers.”

Older staff

“We have a staff member who reached the age of 65 who worked full-time and wanted to continue working but at reduced hours. The position was a technical position and required extensive training. We moved to a job share and they both work a three-day week (ie. both work on a Wednesday to ensure a changeover) and this works very well.”

“Our organisation is fairly flexible for people wanting to reduce their hours (eg. moving to four-day week). We find this is often requested by older employees and may increase their tenure being able to continue working on a part-time basis as they move towards their choice of retirement age.”

Absenteeism

“Absenteeism is the only real impact with numbers being down due to flexible working hours etc.”

“Some reduced absenteeism reported, and put down to better coping mechanisms in place for staff, such as EAP support. Flu injections may also be making an impact.”

“Increasing our administrative staff annual leave entitlement to four weeks has decreased the amount of sick leave that they are taking.”

Enhanced performance

“It has increased our productivity as our initiatives have shown to our staff that they are more than mere processors, and that if we allow things such as flexible hours, when we need extra time or dedication, it comes easily.”

“No issue with getting staff to work extra hours if required.”

“Positive attitude towards employer.”

“More productive staff.”

“Flexi-hours have improved morale – not so regimented to 9-5 hours. Especially in summer time. Staff will make an effort to come in earlier to complete their work, so they can enjoy the rest of the day.”

Better gender balance

“Increase in number of female staff.”

Maintaining healthy relationships

“Flexible work hours or working from home using remote computer system access saved at least two family relationships of senior managers within the last 12 months.”

Health and well-being

“The awareness of work-life balance has allowed staff and managers to manage workloads more efficiently, spend more time with family, assist with personal issues that may have been having an effect on their production, assist with the overall health of themselves and their families, provides a healthy workforce.”

“The staff wellness initiatives have had a positive effect on attracting and recruiting staff. We have a good number who show up to yoga and make use of the onsite massage, which increases the overall health and well-being of staff and boosts staff morale.”

“Our Practical Resilience programme has demonstrated to partners that working like maniacs isn’t productive. It has focused them on the importance of physical, mental and emotional vitality as a more productive way to peak performance and a happy life. This is also being taught down the organisation now, and role modelled by certain partners who have changed key aspects of their life as a result.”

“Equipping our staff with healthy meal options has added to there being seemingly less flu this year. Those who undertake to go to the gym have also experienced an upturn in health and reduced stress.”

8. Problems and solutions

Survey respondents were asked what barriers or problems, if any, they had encountered in encouraging work-life balance. Approximately 70% responded, of whom 17% said there were no problems, and another 2% said it was too soon to tell.

The main problem areas to emerge were:

- Management not supportive
- Staff not interested/resistant
- Lack of time and resources to formalise policy or introduce new initiatives
- Meeting client need/expectations/demands
- Heavy workloads
- Covering absent staff
- Equity of access to provisions for all staff.

A recent Department of Labour survey⁴⁴ found that the most common barriers to implementing work-life initiatives were that the type of work in some organisations requires everyone to be at the workplace at the same time, or that employers perceive it to be too complicated to offer these types of work arrangements.

Respondents to the EEO Trust Work-Life Survey suggested the following solutions:

- Training to help managers manage new ways of working
- Job redesign
- Communicating the benefits to managers and staff
- Tailoring to individual needs and trialling to assess impacts on business and other staff
- Calculating the cost of not implementing work-life initiatives eg. retention and recruitment costs
- Building accountability for implementation into managers' performance reviews and contracts.

24/7 operations

Solutions:

“We have an after hours branch set up that looks after clients between 6pm and 7am weekdays, weekends and public holidays so that our consultants do not have to work long hours or do work from home, so that they do not 'burn out' or become unwell.”

“We try to give employees the opportunity to contribute to the rosters at important times of the year eg. Christmas.”

Meeting client needs

Solutions:

“Shortage in labour market has driven an increased focus on work-life balance and the need to make it work. Management of relationships with clients and communication. Address requests on an individual basis.”

⁴⁴ Department of Labour, 2006: Work-Life Balance in New Zealand. A snapshot of employee and employer attitudes and experiences. www.dol.govt.nz

“Introducing round-tables to discuss possible job redesigns; preparation of checklists for both managers and employees who are contemplating the options around work redesign to better balance both business and personal needs.”

Low initial uptake/interest by staff

Solutions:

“Having key people encourage attendance at wellness initiative.”

Inconsistent implementation

Solution:

“Consider employees’ requests and see how they can be accommodated fairly across the immediate work team and the business as a whole. Trialling new working arrangements over an agreed period allows the opportunity to assess the impact on everybody.”

Costs/financial constraints

Solution:

“Identify the costs of not having these policies.”

“A willingness on the part of both parties to look for a pragmatic win-win outcome that comes some way to meet the requirements of both the employee and the employer ie. trying to find a workable way forward.”

“Low cost, high impact things that employees come up with themselves”

“A gradual approach to implementation that is sustainable.”

“Take it one step at a time, with new initiatives timed at intervals that are acceptable to the company.”

Absent staff

Solutions:

“Equip and train managers to be confident and competent at managing flexible work arrangements.”

“Leave management, setting up email buddies while away on leave.”

“More emphasis on rotation of tasks within workstations has assisted a little in minimising disruption.”

Perceptions of equity

Solutions:

“Offer a range of options so there is something for everyone’s needs/situation.”

“Our single young employees sometimes appear resentful that the company is so ‘family oriented’. They struggle to benefit from any of the initiatives we have in place. Hopefully the ‘purchase additional leave’ policy will be accessed by some of these employees and will be seen as a positive.”

“Communicating to all reasons why one person has been given the OK to work from home, asking them how the organisation can help them in other ways.”

“Undertook a brainstorming session with staff on other benefits we could offer.”

Resistance from individual managers

Solutions:

“Build accountability for work-life implementation into performance review and contracts.”

“Getting managers to try new initiatives on a piloting basis to see how it works.”

“Being able to show them what our competitors are doing in this area.”

“Coaching managers to think outside the box.”

High workloads and understaffing

Solutions:

“I am currently recruiting for more staff to help reduce the workload on the staff so that they have more time to spend at home with their families as well as following a sensible work plan.”

“Addressing the need for additional flexible labour at times of work peaks.”

“Our individual groups use employee climate survey information to develop solutions around their appropriate work-life balance issues in their group.”

High performance culture and staff

Solutions:

“Messages have to come from the top down. The work we are doing with partners/senior management is facilitating learning and discussion around these topics and flowing into leadership styles.”

“Communication - workshops, seminars, mailouts, intranet have all been useful to raise the profile of work-life balance.”

“Individual work-life coaches are assigned to workaholics, paid for by the company and personal counselling if required.”

Union and staff resistance

Solutions:

“Review processes in consultation with unions and try and get their buy in.”

“We work closely with the unions on all matters relating to our staff and their wellbeing and this assists us in achieving workable solutions.”

“Prior to implementing new initiatives we engage with the union at an early stage and consult with staff on proposals. In this consultation process a proposal is taken down through all levels within the organisation for consultation and we take into account all staff feedback.”

“Working with those who are positive and wish to move forward, and that in turn enables those who drag their heels to be swept up and involved.”

“Reassurance of best intentions, enthusiasm at positive responses, relaying the company’s genuine interest in creating a happy workplace.”

General solutions

“Solutions are successful when the arrangements are negotiated to fit case by case.”

“We have kept looking at our job descriptions to spread work out amongst all staff.”

“Climate surveys and focus groups provide good insights into staff needs.”

“Appointing an employee to be the EEO Coordinator, setting annual EEO objectives and evaluating outcomes.”

“We are developing a guideline (set of information and advice) to help managers and staff think positively, creatively and thoughtfully about how to make flexible work arrangements work for all parties.”

“Totally flexible and understanding attitude, but always remembering about fairness to other staff and achieving the required results.”

“Sharing resources across teams rather than just trying to find a solution in a team.”

9. Small organisations

For the EEO Trust Work-Life Survey, small organisations are defined as those employing fewer than 10 staff. In New Zealand, 76% of employers have fewer than 10 staff and these small workplaces employ 22% of all workers.⁴⁵

The survey for small organisations was similar to that for the larger organisations, but modified in recognition of their differences. This section of the report presents an analysis of the results of this survey.

9.1 Sample details

Fifty-one organisations employing fewer than 10 staff responded to the EEO Trust Work-Life Survey 2006. Only one of these was not an EEO Employers Group member. Most were from the private sector (65%), with 28% from the not-for-profit sector, and 8% from the public sector. The largest group was from the business and property sector (37%).

The small organisations employ 303 full-time equivalent staff, a quarter of whom are employed part-time (less than 30 hours per week).

9.2 Provision of work-life initiatives

The most common work-life initiatives are flexible work hours (90%), general domestic and special leave (86%), flexible work location (85%), discouragement of working long hours (84%), welcoming children at work when necessary (80%), and support for those caring for family or friends (77%).

The initiatives provided by fewer than half of the small organisations were term-time working (31%), job sharing (33%), an on-site breastfeeding room/area (34%), and childcare (11%).

An unprompted initiative was allowing time for doctor's appointments etc. in work time without having to make up the time.

Work-life initiatives were more likely to be informal in small workplaces than in larger workplaces. This fits with research findings from the UK.⁴⁶ The initiatives that are most likely to be formal are general domestic or special leave (40%), and flexible work hours (30%). There is no formal provision of childcare, including out-of-school care and subsidies.

9.3 Health and wellness

Half the small organisations said they have initiatives to support employees' health and wellness. A further 18% said such initiatives were under consideration. This is similar to responses from larger organisations (Table 9).

⁴⁵ Statistics New Zealand Business Demographic Statistics, February 2005.

⁴⁶ Dex, S. and Scheibl, F. 2002: SMEs and flexible working arrangements, Policy Press.

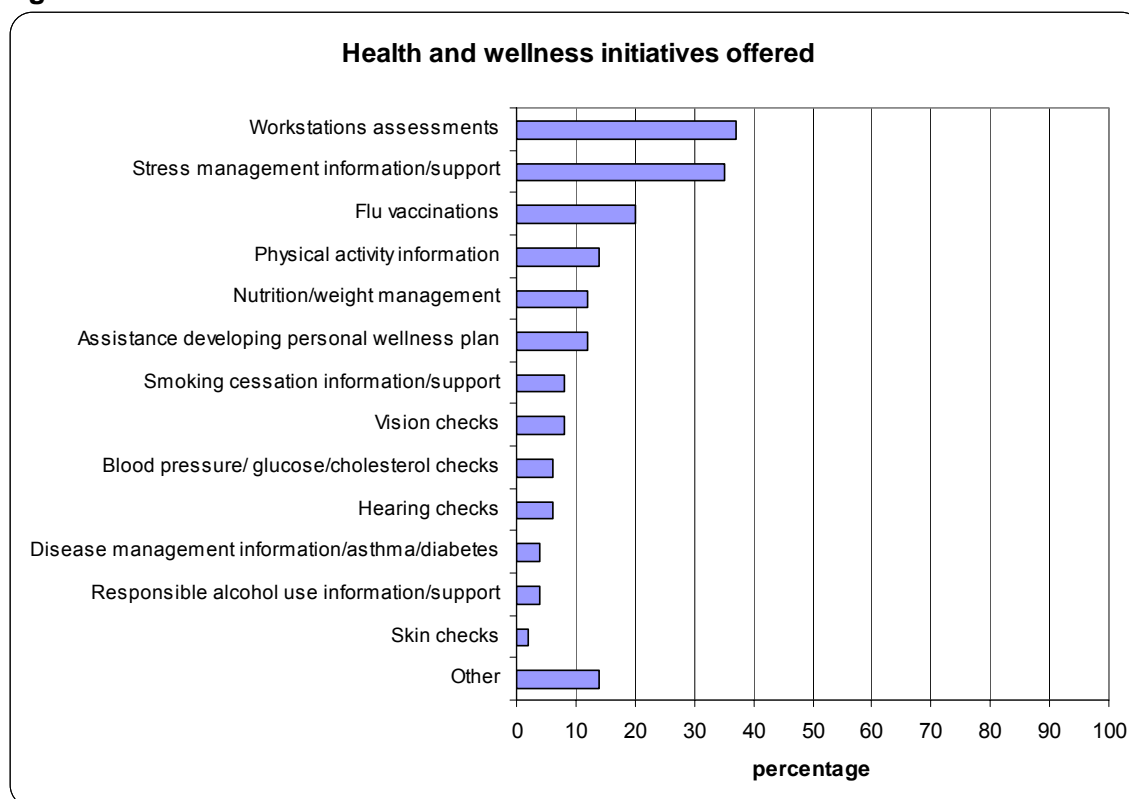
The small organisations that have initiatives to support their employees' health and wellness have been doing so for many years - 66% for four or more years, and 27% for more than ten years. This is longer than for the larger organisations.

Table 9: Provision of health and wellness programmes

Small organisations	%	Larger organisations	%
Have initiatives to support employees' health and wellness	50	Have a health and wellness programme	55
Considering initiatives to support employees' health and wellness	18	Considering a health and wellness programme	18
Organisation has been supporting employees' health and wellness for four or more years	65	Health and wellness programme been in place for four or more years	43
Organisation has been supporting employees' health and wellness for ten or more years	27	Health and wellness programme been in place for ten or more years	14

The most common health and wellness initiatives offered in small organisations are workstation assessments (37%) and stress management information (35%). Twenty per cent offer flu vaccinations.

Figure 18: Health and wellness initiatives



Other key ways small organisations support employees' health and wellness are making healthy food options available in their lunchroom/cafeteria (20%), providing time to participate in health and wellness activities (18%), and offering EAP (16%). Six per cent

reimburse health/gym club memberships and 10% reimburse other wellness programmes.

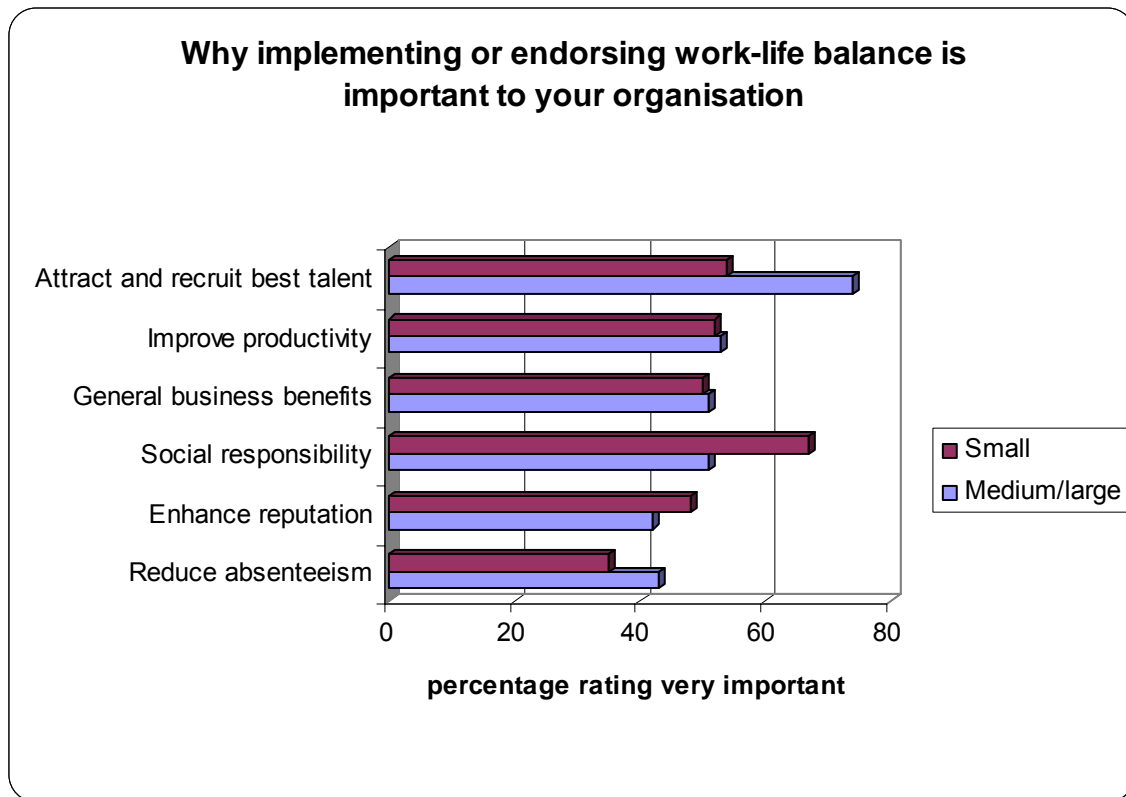
Respondents mentioned a number of other health and wellness initiatives included using sick days for stress-related issues, funding participation in team sport, and providing fresh fruit for staff.

9.4 Endorsing work-life balance

Almost all (90%) of the small organisation respondents said that they actively endorse work-life balance within their organisation. A further 6% answered “not yet” rather than “no”, indicating that they are thinking about it.

When asked why they supported work-life balance, small organisations were more likely to rate social responsibility as “very important”, and less likely to rate attracting and recruiting staff as “very important”.

Figure 19: Why implementing or endorsing work-life balance is important



9.5 Demonstrating commitment

The most common way small organisation owner/managers demonstrate commitment to work-life balance is by role modelling, usually combined with verbal encouragement and endorsement of work-life practices.

“We all take regular time out including overseas breaks annually.”

“Our Chief Executive is currently away on a three-month sabbatical from the business travelling with her mother and daughter.”

“Partners have childcare responsibilities which are acknowledged to take priority. This leads to an understanding of the similar position which staff members find themselves in.”

“Our Chief Executive works four days weekly in order to spend time with her children. It is accepted that we may choose our weekly hours to reflect a 40-hour working week however we can.”

“Managers set an example, eg. bringing kids into workplace when necessary.”

Other approaches include preventing access to the workplace at weekends, incentive rewards that enhance personal relationships (eg. dinner or accommodation vouchers), arranging cover for people who are away, and emphasising productivity rather than presenteeism.

“We recognise that people have lives outside of work and these impact on work and vice versa. We are happy as long as people are performing.”

9.6 Finding out about work-life issues

Most small organisations find out about the work-life issues facing staff through informal conversation (81%) or individual chats (79%), rather than group meetings (46%) or other means (17%).

A number of other ways of gaining information about work-life balance issues were suggested by respondents.

“Speaking to job applicants sometimes provides ideas or other benefits that are being offered by their current employer which enhances their lifestyle.”

“We have workload supervision meetings with the General Manager on a monthly basis. These are pre-scheduled and an opportunity to discuss work-life balance.”

“We are planning to incorporate a work-life balance component into staff performance appraisal processes.”

9.7 Impacts on performance

Reduced staff turnover

The most commonly mentioned impact of work-life balance initiatives was reduced staff turnover and associated recruitment and training costs.

“Reduced staff turnover ensured better productivity, general well-being and staff morale improved.”

“Most staff members stay long-term and give flexibility and support for their family commitments as a reason they enjoy working in the organisation.”

“Allowing one of our engineers to work whatever time she can provide in conjunction with childcare and maternity leave. Skilled professionals are hard to recruit and she is a valuable member of our team. This keeps her in touch with us, so that when she does come back to work full-time, it will be with us and not one of our competitors.”

Parental leave return

“Reduced staff turnover, particularly during parental leave return decisions.”

Attracting talent

Some organisations said they attracted skilled staff from their competitors by providing work-life initiatives.

“Our willingness to offer a three-day week and ability to work from home attracted a new employee. Her previous employer (our major competitor) would not offer this to her. We gained a very experienced employee who was now more affordable to us on a part-time basis. We would not have been able to hire such an experienced person full-time. The employee won as she now can spend time with her two-year-old son.”

“Allowing work from home or flexible hours has attracted a couple of staff members who worked for competitors who had a requirement that they stay in the office during normal work hours.”

Flexibility reciprocated

“By being flexible about hours our staff are more willing to work out of hours as they know they will get the time back at a time when they need it. This allows a small business to respond to opportunities rather than having to cope with clock-watching staff.”

Improved staff morale and relationships

“Flexibility enables consultants to drop kids off at school, maintain energy, work from home. Created a more energised environment and feeling of greater trust.”

Discretionary effort

“A key focus of our organisation is identifying both personal and business values. Through sharing these values the aim is always to align both business and personal. It is the fulfilled employee who will give that additional discretionary effort, which leads to improved productivity.”

9.8 Problems and solutions

Twenty-seven small organisations responded to the question regarding barriers or problems in implementing work-life balance initiatives, but only half said they had encountered any problems. Some examples were:

- Meeting deadlines
- Time to write policies and procedures
- Employees abusing/taking advantage of flexible time without accountability
- Ensuring equitable access

- Cost of work-from-home technology
- Limited resources available to small business.

Meeting deadlines

Solution:

“We encourage everyone to have a ‘project partner’ so that the client is not disadvantaged if someone needs to withdraw for whatever reason.”

“Timely communication.”

Limited resources

Solution:

“Initiatives tend to be more around personal relationships and involvement than initiatives that require funding.”