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The Business Benefits of Work-Life Policies: Providing the Evidence

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The Work Foundation

- Independent, not-for-profit organisation of 60 people
- Founded in 1918 as ‘The Boys Welfare Society’ – became ‘*The Industrial Society*’
- **Our Vision: Good Work for All**
- Driving the wealth and well-being of the UK through good work: inspiring fulfilling working lives and productive organisations that contribute to healthy communities
- Advocacy, Consultancy, Leadership, Research

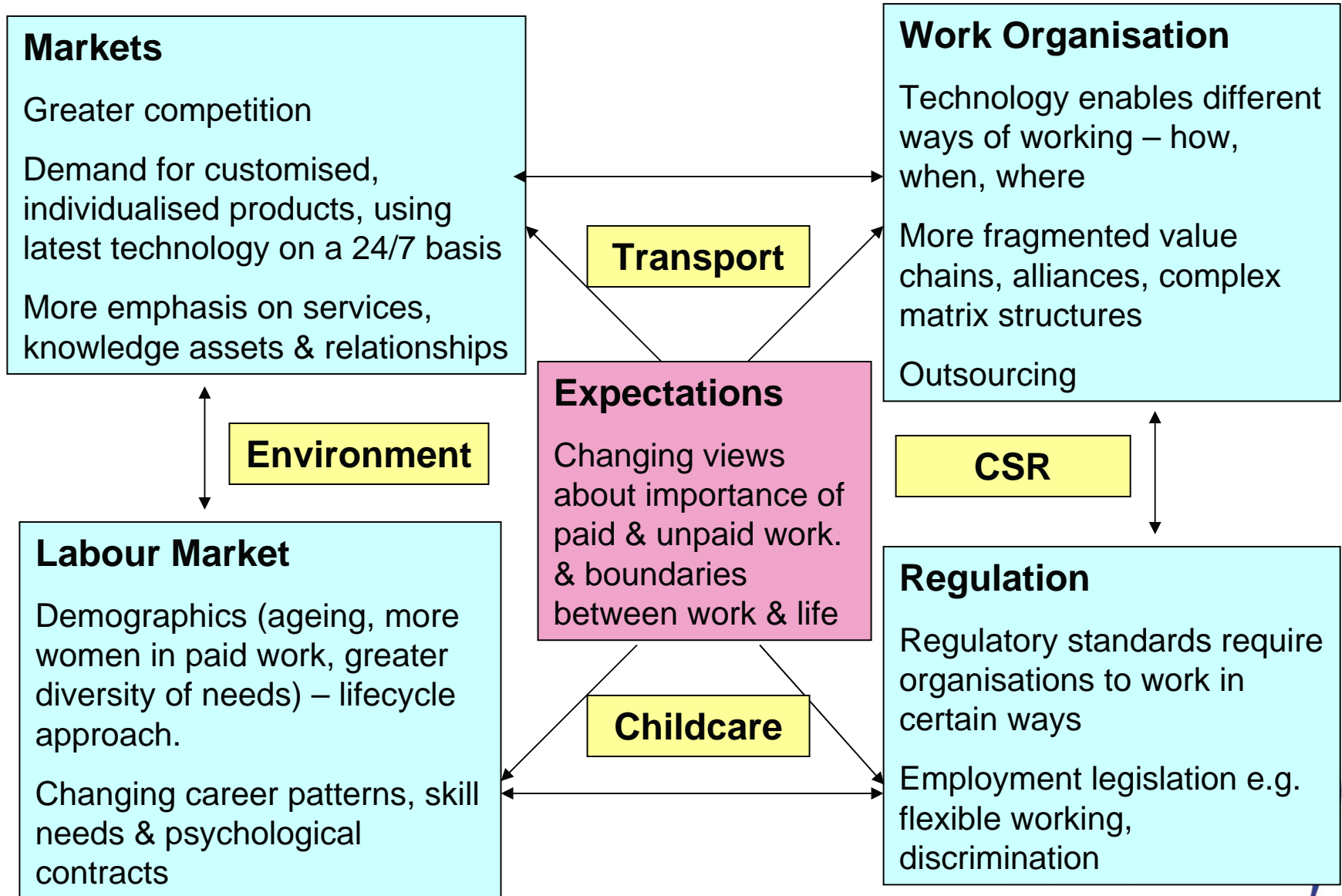
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Business Benefits of Work-Life Policies

- Changing economic & social context
- Supply drivers
- Demand drivers
- Making a business case

The Changing Map of the World of Work...



...And its Implications for Employers

SUPPLY

DEMAND

Demographic change and changing expectations mean more of the workforce want to work flexibly

Employers need to rethink work to make best use of the available workforce & to retain skilled & engaged employees

Organisations need to respond by changing work organisation & sustaining key relationships

Customers are demanding personalised services when, where and how they want them

Business Benefits

Business Benefits

Drivers of Competitive Advantage

**New Forms of Work
Organisation, Flexibility and
Job Redesign**

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Working Time - UK

- Over 40% of employees work unpaid overtime
- Only 58% of men (38% of women) work F/T for 5 days a week
- 30% of UK workplaces operate 7 days a week
- 18% of married mothers work evenings
- Among couples, chances of working evenings or nights is 50% higher if they have children
- 45% of women work over 40 hours a week
- Highest % of people working over 40 hrs in EU



Business Benefits

- Greater responsiveness to customers
- Recruitment – ‘employer of choice’
- Retention of skilled & engaged staff
- More engaged employees
- Reduced sickness absence
- Greater equality
- Higher productivity because of all the above



Examples (1)

- In BT 99% of women return after maternity leave, saving £3m in recruitment costs, and the absence rate is down to 3.1% (compared to average of 8.5% in UK)
- National Magazine Company saved £250k annually in reduced staff turnover costs through the use of work-life policies for editorial staff
- Farrelly Engineering introduced work-life policies which reduced staff turnover to 5% and cut customer complaints in half



Examples (2)

- Cogent (financial services) introduced work-life policies in response to recruitment & retention problems – overtime fell, opening hours extended, productivity increased & staff turnover fell
- Nationwide Building Society used work-life practices to improve attraction & retention – led to a 14% increase in staff satisfaction in 10 years & a 5% increase in customer satisfaction
- Good Hope Hospital used self-rostering to schedule staffing – reduced sickness absence as a result

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Challenges in Organisations

Culture
inhibits
working
differently

Employee
but not
business
friendly

Low level
job design
skills
among line
managers

No clear
'success
criteria' &
no
evaluation

New
models
imposed
without
consulting

Jobs in
new
models are
deskilled &
devalued

Only
available
to a few,
valued
employees

Too many
unique,
informal
practices

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Time 'Sovereignty'

- The voluntary exercise of influence over working time
- Thus:
 - 'Time Lords' can work long hours because they want to & derive satisfaction, career & other benefits from doing so
 - 'Time Slaves' work long hours through economic need or coercion
- Control & autonomy improve performance and well-being
- Which are you? How many time 'slaves' in your teams?

The Value of Time

- Varies by life-cycle stage – eg older workers trade income for leave
- Not just child and eldercare-related
- Demand for Work-Life linked to changing Lifestyle needs is growing:
 - Lifelong learning
 - Voluntary work
 - Travelling
 - Health & Wellbeing

The 'Rhythm' of Business & Work-Life

- Resource management – matching peaks & troughs in customer demand eg. Call Centres
- Seasonal patterns in business flows eg. Hotel & Catering
- Shift working & flexible rostering eg Air Crew
- Globalised business demands – eg Investment Banking

Implications, barriers & opportunities

- How helpful are ROI measures when assessing the contribution WLB makes to attracting, retaining, motivating, deploying key employees?
- Many employers still see WLB as a ‘threat’ – which explains why access is still restricted.
- Take-up of WLB can be low because of low pay and fears over career prospects
- Employees are recognising their labour market power – this will become an irresistible force



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