Industry Benchmarks of Work–Family Balance:

Conclusions from the IESE Family-Responsible Employer Survey 2007
Manila, Philippines

Ma. Victoria Q. Caparas, Ph.D.
Elmer Anthony Aquitania, MABE
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Foreword

Improving business performance does not solely rely on addressing concerns on operations. I believe that paying attention to the most basic resource of a company, its people, is the key to good business. For our Company, Toyota Motor Philippines Corporation (TMP), our Team Members make the difference. Their skills, expertise and commitment give us a significant competitive advantage. Recognizing the value of every Team Member, we respond proactively to their needs the best way we can. This is aligned with our management philosophy to provide the best working environment for our Team Members that our Company resources can allow for. With this in mind, we have put various programs in place to create an environment that reflects our value of caring for our Team Members. These programs exemplify our strong people-orientation which is deeply imbedded in our corporate culture.

I am proud to share some of our best practices that support the concept of work–life balance through this publication. Without doubt, work–life balance has become an increasing concern as more companies recognize its effects not only on the employee’s total well–being but also on his or her quality of performance and productivity. I believe that this material will serve as a very good tool to educate and inspire companies to recognize and address work–life concerns as they learn from the innovative approaches of others. It makes good business sense to develop responsive work–life programs given its payback of increased morale, higher productivity and better performance.

I would like to commend the University of Asia and the Pacific for leading this study and for its noble efforts to promote a more family–responsible work environment. Soon, work–life balance shall cease to be just a goal for most companies, but rather already a reality.

HIROSHI ITO
President
Toyota Motor Philippines Corporation
Presentation

In the third year of the IESE Family-Responsible Employer (IFREI) study in the Philippines, we have gathered survey responses from 184 companies. This significant amount of data has allowed us to analyze the industry-level differences in work–family balance policies and practices.

The survey results show that the automotive industry is most family-responsible. This capital-intensive sector might not enjoy flexible work hours, but its employees enjoy above-average wages and benefits that redound to the welfare of their families. The automotive industry tops all other sectors in policies such as replacement of staff in long leaves of absence, professional counseling, and personal and family counseling. It shares the top place with the information and communication industry and the pharmaceuticals industry with regard to providing health care plans for the employees’ family members.

The information and communication and the pharmaceuticals industries have bested all the other sectors in making flexible work hours available to most employees. The hotel and restaurant industry lead the way in nurturing a supportive environment where supervisors are very understanding about family concerns and demands of their staff. Moreover, given the nature of their service, hotels and restaurants provide meal tickets or subsidies available to all their employees.

We are grateful to Toyota Motor Philippines for giving us not only the financial support to publish the IFREI 2007 survey results but also some relevant data justifying the high scores of the automotive industry in almost all elements of the IFREI model. The information we have gathered can serve as valuable inputs for other sectors to measure and compare their performance in work–family balance. We believe that benchmarking in this type of human resource practices has a lot of potential to accelerate the changes towards more family-responsible work environments. And we hope that this benchmarking will encourage continuous learning and sharing of best practices, in the spirit of constant improvement in work–family balance.

MA. VICTORIA Q. CAPARAS, Ph.D.
Assistant Professor, UA&P School of Management
Affiliate Consultant, IESE International Center of Work and Family
The IESE Global Study: Family-Friendly or Family-Responsible?

In 1999, the IESE Business School introduced the term “Family-Responsible Enterprise” to differentiate its brand from the “family-friendly company” label. According to the Director of the IESE’s International Center for Work and Family (ICWF), Professor Nuria Chinchilla, a company needs to go beyond merely being friendly towards the employee’s family towards reacting more responsibly to meet the family’s changing needs at different stages of life. The goal of IESE ICWF was to make companies more aware of their new stakeholder—the employee’s family—and of certain business practices that harm and dehumanize the family when these do not allow the employees to play their roles as husbands, fathers, wives and mothers. This goal is integral to the mission of the IESE Business School. Now on its 50th year, IESE has been founded to help executives and business leaders discover that business is much more than a financial concern, and to build companies that are efficient, humane and sustainable for the benefit of the men and women who work therein.

Why is the family important to business? ICWF believes that the family is the first school where people learn and develop skills necessary in a professional context. These skills refer above all to the ability to commit and create healthy and lasting relationships, but also include teamwork, empathy, delegation, communication, planning, organization, and “customer” focus. Time spent with the family becomes, therefore, essential for organizations. When the parents have no time for family life, not only does the number of children decrease, but father and mother figures disappear and good habits are not developed. “The challenges facing the society are significant, and these can only be met with a strong social cohesion which is born in the bosom of the family—the society’s backbone,” says Dr. Chinchilla.

1 Speech given in Madrid, Spain on June 12, 2008 in the international conference “Building Sustainable Societies: Trends and Best Practices in Work-Family Balance.”
With the goal of helping companies to promote work–family balance, the ICWF created the International Family-Responsible Employer Index (IFREI), a measuring tool with which companies may analyze to what degree they are promoting enrichment or pollution in their internal and external human environment. As of 2008, the IFREI survey has been conducted in 3,800 companies in 19 countries in Europe (Spain, Italy, Portugal, Belgium and Czech Republic), North America (Mexico), Central America (El Salvador, Guatemala and Panama), South America (Argentina, Brazil, Chile, Colombia, Ecuador, Peru and Uruguay), Africa (Kenya and Nigeria) and Asia (Philippines). Moreover, the IFREI research has given rise to the Family-Responsible Employer certificate designed to motivate companies to facilitate their employee’s work–family balance with concrete steps and measurable progress.

The Framework and Concepts

The IESE’s Family-Responsible Employer (FRE) model is a comprehensive framework that enables a company to diagnose its level of work–family balance and its performance over a period of time. It has four main elements (Figure 1).
In this model, used when a business organization is examined, the adoption of formal policies conveys the message that the company is or is not family-responsible. Then we look at the factors that support the implementation of these formal policies, otherwise called facilitators. These are the four pillars essential to developing and implementing flexible and responsible policies: the leadership who totally buy in to the idea of work–family balance, clear-cut lines of responsibility, clear and open communication, and a well-defined strategy that includes a budget. These four pillars are essential to bring about the transition to a truly flexible environment that is supportive of work–family balance. During said transition, there will be certain hindrances and promoters of the organization’s culture, which must be identified, monitored and improved. The effectiveness of these first three elements to bring about a family-responsible environment will be reflected in results. Table 1 summarizes the objectives for identifying the four elements:

Table 1. The Elements of the FRE Model

<table>
<thead>
<tr>
<th>Element</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Policies</td>
<td>Determine the availability and degree of formalization of various policies classified in four major categories: work flexibility, professional support, family services, and non-salary benefits</td>
</tr>
<tr>
<td>2. Facilitators</td>
<td>Identify how the company uses the four pillars (leadership, communication, responsibility and strategy) to develop and implement family-responsible policies</td>
</tr>
<tr>
<td>3. Culture (promoters</td>
<td>Recognize the existence or absence of practices that commonly hinder an organization’s progress toward a family-responsible culture</td>
</tr>
<tr>
<td>and hindrances)</td>
<td></td>
</tr>
<tr>
<td>4. Results</td>
<td>Measure the impact of the other three elements in order to establish areas for improvement</td>
</tr>
</tbody>
</table>

There is not one best mix of these elements just as there is not one best solution or action plan for a company to become family-responsible. Each company will have to find its own solution, knowing that
becoming a family-responsible employer, like all cultural changes, is a gradual process that takes time. Figure 2 presents the four stages of development into a family-responsible employer.

A company at Level D is systematically contaminating its social and business environment (i.e., destroying the human ecology) due to its rigid stance not to assume responsibility for the employees or for their families. A company at Level C is discretionarily polluting its own organization for having some policies in place which it does not widely implemented. It shows less rigidity and has acquired more flexibility in assuming its responsibility to correct the employee’s work–family imbalance. A company at Level B is discretionarily enriching; its work–family balance policies are instituted with a broad degree of acceptance. Its culture and practices encourage balance between work, family and personal life. Finally, a company at Level A is systematically enriching the human ecology. Its management has a solid conviction for work–family balance. Its family-responsible policies are implemented, understood and accepted throughout the organization.
The Methodology and Sample

The IFREI questionnaire was made available to managers through the classes, seminars and forums where the lead author of this publication was a guest speaker, lecturer or organizer. These managers were also referred to the online survey on the IFREI website in case they wanted to obtain their assessment from the IFREI software immediately upon completing the survey.

The Ten Steps to Becoming a Family-Responsible Employer:

1. Commitment of top management (with budget)
2. Creation of a work–family coordinating committee
3. Assessment of the company using IFREI’s online self-diagnosis at http://www3.iese.edu/ifrei/index.asp
4. Information about the employees’ family needs and circumstances
   - study of indicators/benchmarks
   - surveys
   - interviews (individuals/groups)
5. Drawing up of an Integral Plan of Work–Life Balance
6. Creation of a manual for implementing policies
7. Leadership and good example of top management (management education)
8. Inclusion of family values in the corporate mission
9. Obtaining stakeholders’ buy-in through various policies and processes:
   - Announcement by top management of the Integral Plan for Work–Family Balance
   - Communication to all employees
   - Continuous internal communication (publications, videos, intranet, etc.)
   - Team meetings and dialogue sessions
10. Evaluation of policy implementation and benchmarking
A total of 184 responses were gathered and analyzed. Seventy-eight of these respondents are large companies, 37% of which have 250 to 500 employees, 36% have 501 to 1000 employees, 14% have 1,001 to 5,000 employees, and 10% have more than 5,000 employees.

Of the total 184 respondents, 106 are SMEs — 30% of which have 1 to 49 employees, 19% have 50 to 99 employees, 16% have 100 to 149 employees, 21% have 150 to 199 employees and 14% have 200 to 249 employees.

As regards the type of ownership, 92 percent are private firms (71 large companies and 99 SMEs) and the rest represent the public sector.

There is no dominant gender group in our sample. Five percent of the respondents have females comprising more than 75% of their workforce. Forty-five percent of the total respondents have predominantly female employees (50 to 75% of the workforce).

Table 2 shows the actual count and frequency percentages of the industries represented in the study. The financial and insurance industry topped the list with 27 firms, followed by wholesale and retail trade sector and the food and beverages industry. The agriculture and mining sectors have one representative firm each, and thus they are excluded from our analysis. Hence, the automotive, wood and paper, administrative and support services industries have the lowest representation with five firms each. However, the number of firms does not reflect the quality of representation since the firms themselves are major players, and their sales represents a significant portion of the industry’s revenues.

The frequency distribution of our sample reflects, in a way, the distribution of Philippine industries by number of workers. Overall, the wholesale and retail trade sector makes up 30% of our economy, followed by manufacturing at 27%. Real estate, renting and other business activities comprise 7.3% of the country’s economy, education at 4.6%, and financial intermediation at 4.4%. 
Table 2. Distribution of the Sample as to Industry Type

<table>
<thead>
<tr>
<th>Industries</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial &amp; Insurance</td>
<td>27</td>
<td>15</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>Food &amp; Beverages</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Human health &amp; social work</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Real Estate</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Advertising</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Education</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Information &amp; Communication</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>Hotel and Restaurant</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Chemicals, Rubber and Plastics</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Professional, Scientific &amp; Technical</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Call Center/BPOs</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Arts, entertainment &amp; recreation</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing (Others)</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Transportation &amp; Storage</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Automotive</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Administrative &amp; support service</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Wood &amp; Paper Products</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Fishing</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Mining</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>184</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

For our analysis of the industries, we have made use of the International Standard Industry Classification (ISIC) Rev. 4, which provides a more updated aggregation of the ICT (Information and Communication Technologies)–related sectors like telecommunications, Internet and IT services.

The administrative and support service activities include companies in employment, office administrative and office support activities like call centers and business process outsourcing (BPOs). However, considering the volume of representation and the relevance of work–family balance issues, we have segregated the eight companies representing the call centers and BPOs in this study.

Likewise, due to the number of respondents, we have broken down the manufacturing industry into sub-sectors of food and beverages,
pharmaceuticals, wood and paper products, automotive, chemicals/rubber/plastics, and others.

Classified under “Professional, Scientific and Technical Activities” are the firms involved in legal and accounting, activities of head offices, management consultancy, architectural and engineering, and the like. Advertising and media also fall under the “Professional, Scientific and Technical Activities” sector, but considering the 11 firms representing it, we have created its own separate grouping.

Within the “Information & Communication” classification fall the subsectors of telecommunications, computer programming and consultancy, information service, and publishing activities.

The Family-Responsible Industries

Using the FRE index, the companies who participated in the survey have been classified according to their development levels as family-responsible employers. The survey results summarized in Figure 3 reveal that 10% of our companies are best positioned as having a family-responsible culture (Level A), and 45% are moving towards it (Level B) starting with policies that they are widely implementing and using. About 40% of our respondent companies qualify as Level C, while 5% lack family-responsible policies (Level D).

Figure 3. The Distribution of the Sample according to the FRE Stages of Development

<table>
<thead>
<tr>
<th></th>
<th>Discretionary</th>
<th>Systematic</th>
<th>Contaminating</th>
<th>Enriching</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>40%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
<td></td>
<td>45%</td>
</tr>
<tr>
<td>A</td>
<td></td>
<td></td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

D. Have no FR Policies
C. Have few policies but don’t really use them
B. Have policies but don’t put them into practice
A. Have a FR culture
Which industries are family-responsible? To establish the ranking of the nineteen industries, we examined the average FRE scores of the companies in the same industry. The results are shown in Figure 4. The topnotch industries are high-growth sectors which are extremely challenged to recruit and retain talent. In 2007, the auto industry registered its highest growth rate of 18%. The information and communication sector has seen rapid growth in the past ten years, generating thousands of jobs and revenues. The hotel and restaurant industry is getting a boost from a record-high growth in tourist arrivals. Lastly, the chemicals, rubber and plastics sector includes companies supplying parts and components to the auto industry and those supplying soaps and detergents to service sectors like the hotels. We can therefore assume that they too, like their customers, are experiencing increased investments and employment.

Figure 4. Industry Ranking according to the FRE Model
The industries at the bottom of the list share the same reputation for long working hours, night shifts and overtime issues, round-the-clock customer support, quick turnaround times for tasks and projects, employee piracy, etc. These industries may have large companies that can afford above-average compensation (e.g., 62% of the call centers and BPO firms in our sample are large companies), but survey results show significant problems of talent management, stress, absenteeism, and lack of employee commitment.

We gathered below each industry’s comparative strengths supporting its positioning in the family-responsible industry ranking. We will focus on the policies available to most and all employees, the factors that facilitate the implementation of those policies, and the culture that promotes or hinders work–family balance.

1. Automotive – Leaves of absence (LOA) to take care of a family member, flexible vacation schedules, permission to leave the workplace for a family emergency, keeping job perks after a long LOA, replacement of staff on long LOAs, professional counseling, personal and family counseling, information on senior citizens centers and centers for handicapped persons, life and accident insurance, healthcare plan for family members, retirement plan, annual budget and sufficient resources to promote family-responsible measures, creation of a team that is responsible for work–family programs, a culture that discourages taking work home and does not penalize careers of family-oriented employees

2. Information and Communication – Flexible work schedules, permission to leave the workplace due to family emergency, LOA to take care of a family member, keeping job perks after a long LOA, life and accident insurance, healthcare plan for family members

3. Hotel and Restaurant – Flexible vacation schedules, permission to leave the workplace due to family emergency, tickets or subsidies for meals, leaders that are good examples of family-responsible behavior, managers and supervisors who are supportive of the family demands of employees

4. Chemicals, Rubber and Plastics – Flexible vacation schedules, permission to leave the workplace due to family emergency, accident insurance, healthcare plan for family members, retirement plan, leaders that are good examples of family-responsible behavior
5. Pharmaceuticals – Flexible work schedules, flexible vacation schedules, LOA to take care of a family member, keeping job perks after a long LOA, life and accident insurance, healthcare plan for family members, retirement plan, a culture that does not equate taking advantage of family-related policies with lesser job commitments

6. Administrative and Support Services – LOA to take care of family member, flexible vacation schedules, permission to leave the workplace for family emergency

7. Food and Beverages – LOA to take care of a family member, flexible vacation schedules, permission to leave the workplace for a family emergency, life and accident insurance, retirement plan

8. Human Health and Social Work – Permission to leave the workplace due to family emergency, life and accident insurance

9. Finance and Insurance – Flexible vacation schedules, permission to leave the workplace due to a family emergency, training on time and stress management, life and accident insurance, healthcare plan for family members, retirement plan

10. Education – Permission to leave the workplace due to a family emergency, life and accident insurance, retirement plan

11. Real Estate – LOA to take care of a family member, flexible vacation schedules, permission to leave the workplace for a family emergency, life and accident insurance

12. Manufacturing (others) – LOA to take care of a family member, permission to leave the workplace for family emergency, life and accident insurance, retirement plan

13. Wholesale and retail trade – Permission to leave the workplace due to a family emergency

14. Professional, Scientific and Technical – LOA to take care of a family member, flexible vacation schedules, permission to leave the workplace for a family emergency, life and accident insurance, retirement plan

15. Wood and Paper Products – LOA to take care of a family member, permission to leave the workplace due to a family emergency, retirement plan, dissemination of family-responsible policies in informative sessions with all employees

16. Call Centers and BPOs – LOA to take care of a family member, permission to leave the workplace due to a family emergency, keeping job perks after a long LOA, life and accident insurance
17. Transportation and Storage – Permission to leave the workplace due to a family emergency, life and accident insurance, retirement plan, a leadership that is aware of and responsive to the importance of work–family balance to employees’ well-being

18. Arts, Entertainment and Recreation – Training on time and stress management

19. Advertising and Media – Permission to leave the workplace due to a family emergency

**Policies**

Based on the mean of responses (see Figure 5), the survey results show that SMEs (less than 250 employees) tend to offer their employees flexibility options that do not require a cash outlay. These include flexible work schedule, compressed workweek, flexible vacation schedule, and permission to leave the workplace for family emergencies. On the other hand, large companies (number of employees equals or exceeds 250) are more likely to offer economic benefits like life and accident insurance, healthcare plan for family members, and retirement plan. SMEs and large companies hardly differ in the availability of professional support like professional, personal and family counseling.

*Figure 5. Use of FRE Policies: Large v. SME Companies*
Policies on Job Flexibility

The first category of policies is termed “job flexibility policies” because they replace strict working schedules, controlled working time and physical presence with flexible schedules, self-control and performance evaluation on the basis of objectives. Flexibility policies are further classified into flexibility as to time, space and leave arrangements.

Keeping Job Perks after Long Leaves of Absence

Toyota is charitable and humane. We make this policy available to anyone, not just to the best workers. I can cite several examples. One involves a Team Member who had a difficult pregnancy. We value life. If we force the mother to work, it might cost us the life of the Team Member and the baby. If we push her to resign because of her condition (which is not an illness but a state of health), it will not be fair. This condition can happen to anyone else. The Team Member did not desire that difficult pregnancy. We gave her a one-year of maternity leave.

There was an instance when a Team Member had PTB (pulmonary tuberculosis) and he had to be on leave for two months. Another Team Member suffered from diabetes and his attendance at work was very irregular—one month he was absent, then for the next two weeks he was working. We summed up his absences to almost half of the year. We moved him out of the evening shifts, which are not recommended for diabetic persons. We got him out of manual jobs and gave him lighter ones.

We have not reached the point when we had to ask the concerned persons to resign, or to offer them a special package to leave because they are not productive anymore. As much as possible, the company adjusts to the situation. We try to look for lighter tasks or jobs in the office and retool or train these employees. Even if their productivity drops significantly, we do not reduce their pay or their benefits.

-Ms. Ma. Cristina Arevalo
VP, Human Resources
Figure 6 shows the top six industries providing flexibility policies, with the Information and Communication sector leading the group in five options.

**Professional Support**

The second category of policies—called “professional support”—consists of systematic ways by which companies address the changing private situations of employees. As previously mentioned, the automotive industry bested the others in this category.
Counseling: Helping them help themselves

Being with Team Members presented opportunities for TMP’s Team Relations section (TRL) to establish familiarity and foster close personal ties with them. TRL not only knows the Team Members by their faces and names but also knows them in a more personal and intimate way. Because of this, TRL became the solace of their work-related and personal problems.

Veering away from the “advice-giving” practice, TRL helps the counselees have a clear view of their issues and guides them through making their own choice and solutions.

TRL handles cases ranging from attitude or behavioral problems, gender issues, financial crisis, marital infidelity, premarital discernment, sexual harassment, depression, addiction, etc. Counseling services is not limited to Team Members but, in fact, includes Team Members’ wives and other family members as a major part of its clientele.

Even family members go to us. For example, once a wife called us because her husband had not gone home the night before. We got to know about their marital problem. Or in another case, the spouse reported that her husband had not been giving financial support. In these cases, it is not the Team Member who comes for counseling but the spouse. I think in the local setting, it is not common for people to avail of a mentoring session for personal and professional improvement. Either they do not want it or they feel they don’t need it.

-Gerry Espinosa
Senior TRL Staff

With counseling, TRL fulfills its mission of empowering all Team Members—helping them help themselves.

Family Services and Non-Salary Benefits

The third category of policies is called “family services.” It includes different types of services that help the employees manage or reduce their workload outside the organization. The idea behind these services is not simply to make employees less stressed and more productive at
work, but also to compensate and reward them in much the same way as salaries do. Family services include information on daycare centers, information on centers for elderly and handicapped persons, and daycare centers (either in-house or subsidizing external centers). In the fourth and last category—labeled as “non-salary benefits”—is material support that can assist employees in their family responsibilities. Figure 8 illustrates the leadership of the automotive and pharmaceutical sectors in these types of policies.

Figure 8. Other Family-Responsible Policies

Facilitators

In this section we will analyze the factors that were essential to implementing the aforementioned policies.

Leadership

Authentic leadership of work–family balance is deeply concerned with the employees’ well-being, although the leaders would also advocate for such balance to achieve other important goals such as increased productivity and reduced turnover. Awareness of work–family issues is a big first step for the organization’s leaders. The survey asked how many of the executives in the company are sensitive to the importance
of work–family balance. Thirty-two percent of the respondents opine that all their company leaders fit this description (see Figure 9). This showing is a big improvement from last year’s results where only 19% were convinced that all their leaders are aware of and responsive to work–family balance. At the industry level, the transportation and storage sector bested the rest in terms of sensitive leadership. Fifty percent of the respondents in this sector answered that all their leaders are sensitive to the importance of work–family balance.

Figure 9. Leaders’ Sensitivity to and Exemplarity in Work-Family Balance

It is in exemplarity—more than in sensitivity to work–family issues—where the strength of a real leader lies. The leader sets the tone of a family-responsible culture in any organization. With the authority of his or her words and example, he or she motivates the others, especially the managers and supervisors, to respect the employees’ personal and family lives.

The survey asked: How many executives in your company are examples of family-responsible behavior? Thirty percent of the respondents’ leadership shows exemplary profiles of a balanced work–life (see Figure 9). This is an increase of 11 percentage points from last year’s result. At the industry level, the chemicals, rubber and plastics sector ties with hotel and restaurant sector in perceiving role models of work–family balance in their leaders.
Responsibility

Twenty-eight percent of the total companies participating in the survey said that no one is assigned to the work–family program. Eight percent of the total companies had a manager or employee in the HR department devoting a certain amount of time to the issue. Thirty-seven percent of the sample has an assigned employee working full-time on work–family initiatives. In 27 percent of the respondents, a team is assigned formal responsibilities to drive the work–family balance program forward. In the automotive industry, the median response is 4 (i.e., a team is responsible) while the mean response is 3.4, surpassing the others in this category.

Communication

How are employees informed about the various family-responsible initiatives? In 27% of the cases, these initiatives are not made known (see Figure 11). Official communication is used in 43% of the companies who participated in the survey. Five percent tackle work–family issues in executive meetings, while 24% have more diffusive communication at the level of staff meetings. In this regard, the wood and paper manufacturing industry showed a surprising lead.
The Challenge of Communication

Almost as soon it was re-established in the Bicutan, Parañaque plant in 1988, TMP grew steadily in sales, production and manpower. As operations became more complex, communication throughout the organization became a challenge. At the same time, it was recognized as the key to moving all Team Members in the same direction and achieving cooperation between labor and management.

To improve communication within the company, TMP decided to start by ensuring that all Team Members subscribed to the same fundamental principles. This led to the TMP Vision, Mission and Values or “VMV” which, in the spirit of continuous improvement and respect for people, was prepared by consultation with and consensus among employees. Together with Toyota Way, the VMV has proven to be a major factor in aligning the efforts of the Team Members.

These practices aim to promote open communication and transparency:

a. The Monthly HR Coordination Meeting with Managers and Supervisors/Foremen to ensure consistent and common understanding of vital company issues.

b. The Info Time provides all Managers and Supervisors with time (an hour over lunch) to directly and thoroughly communicate with Team Members vital company information on a regular basis.

c. Daily Attendance in Morning Circles keeps everyone abreast of everything that is happening to TMP and is a way of soliciting their support.

d. The HR Bulletin Boards in each production section and other strategic areas within TMP provide useful and specific information on HR-related matters such as safety and health information, training schedules and participation, internal job openings, etc.

The People Management Association of the Philippines (PMAP) recognized the benefits of sustaining good communications among all workers when it conferred the 2006 PMAP Outstanding Personnel Program of the Year to the Team Relations Program.
Stage of Implementation

When asked at what stage they are at in the design and implementation of family-responsible policies:
➢ 27 percent of the respondents said that these are not in the company agenda.
➢ 33 percent are still in the initial phase
➢ 15 percent of the companies have policies drawn up and implemented but these policies are not widely used by the employees.
➢ 26 percent are in a more advanced stage where the policies have been drawn up, implemented, and often used by employees.

Figure 12. Stage of Implementation

Policies

Not in Agenda

Often used

Initial Phase

InFreq used

Budget

Does the company earmark a budget for the development and implementation of family-responsible policies? About 33 percent of the companies have no such budget. In 35 percent of the cases, there is occasional budget allocation. About 14 percent said that the company has a specific budget. About 18% of the respondents are fairly advanced; they conduct an annual review of their budget for work–family balance. The automotive industry leads in both questions concerning stage of implementation and budget.

Figure 13. Budget for FR Policies
Cultural	

In the third section of the IFREI survey, the respondents were given six statements. They were asked to assess to what extent the statements are true about daily life in their companies.

Focusing first on the kind of culture that promotes work–family balance, we will see in Table 3 the inhibiting cultural facets that are “never” seen, as well as the laudable practices that are always happening in family-responsible industries.

Table 3. Family-Responsible Culture

<table>
<thead>
<tr>
<th>Hindrances</th>
<th>Never</th>
<th>Always</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are expected to take work home.</td>
<td>AUTOMOTIVE Median: 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 1.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: .447</td>
<td></td>
</tr>
<tr>
<td>Rejecting a promotion or transfer for family reasons might affect one’s career in the firm.</td>
<td>AUTOMOTIVE Median: 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: .000</td>
<td></td>
</tr>
<tr>
<td>Going on leave or reducing work hours for family reasons means less commitment to the company.</td>
<td>PHARMACEUTICALS Median: 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: .000</td>
<td></td>
</tr>
<tr>
<td>Employees are encouraged to go home after a certain time of day.</td>
<td>AUTOMOTIVE Median: 4.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 3.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: 1.304</td>
<td></td>
</tr>
<tr>
<td>HR decisions take an employee’s family/personal situation into account.</td>
<td>ADMIN &amp; SUPPORT SERVICES Median: 4.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 3.8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: .447</td>
<td></td>
</tr>
<tr>
<td>Executives/managers are understanding when employees put their families first.</td>
<td>HOTEL &amp; RESTAURANT Median: 4.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean: 3.63</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD: .518</td>
<td></td>
</tr>
</tbody>
</table>
Building Stronger Relationships with a Budget

The importance of Team Relations was highlighted when the company experienced a major downturn in labor relations in 2000. The labor dispute that eventually resulted to the dismissal of 233 Team Members and the staging of the very first labor strike in Toyota left an indelible mark in the life of TMP and its Team Members.

The Human Resources Department underwent a major reorganization. Two sections were merged, and some key HR staff members were transferred. One staff member was outsourced and hired to look after the documentation and clerical tasks that would otherwise reduce the time the TRL personnel can spend with the Team Members.

The entire TRL staff was sponsored by the company to be trained as professional counselors by an external institution. They also attended and participated in many growth and personal enrichment programs. Attendance to these classes of eight hours a week was considered Official Business.

Another example of a budget-supported program is the P.T. ni Boss (Personal Touch ni Boss) which was set up to improve the relationship between superiors and subordinates. The program was found necessary to achieve the ideal of mutual support and understanding, and to provide a venue for Team Members to share triumphs and difficulties in their personal and their work life. The superiors are given a budget to take their Team Members out after work outside TMP twice a year. The informal and relaxed atmosphere is necessary to achieve the purpose of easing the communication between superiors and subordinates and among Team Members.

Lastly, Toyota brings the meaning of the word “malasakit” (empathy) to a profound as well as financial level. Since Toyota regards the Team Members and their families as part of the Toyota family, the company takes extra steps to show genuine and earnest concern. TRL visits the Team Member at home or in the hospital, when he or she is sick or in a crisis situation such as when there is death or sickness in the family. Although the hospital or funeral visit alone is already well-appreciated by the Team Member, TRL also brings flowers, mass cards or food, and offers assistance of any kind.
As a form of contrast, Table 4 highlights the stumbling blocks to a family-responsible culture by highlighting, in specific industries, a number of negative practices that are “occasionally” happening or some commendable ways of behaving that are only “occasionally” being observed.

Table 4. Threats to a Family-Responsible Culture

<table>
<thead>
<tr>
<th>Hindrances</th>
<th>Occasionally</th>
<th>Occasionally</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are expected to take work home.</td>
<td>INFO &amp; COMM</td>
<td>Median: 2.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mean: 2.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: .500</td>
</tr>
<tr>
<td>Rejecting a promotion or transfer for family reasons might affect one’s</td>
<td>INFO &amp; COMM</td>
<td>Median: 2.0</td>
</tr>
<tr>
<td>career in the firm.</td>
<td></td>
<td>Mean: 1.78</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: .667</td>
</tr>
<tr>
<td>Going on leave or reducing work hours for family reasons means less</td>
<td>WOOD &amp; PAPER</td>
<td>Median: 2.0</td>
</tr>
<tr>
<td>commitment to the company.</td>
<td></td>
<td>Mean: 2.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: 1.140</td>
</tr>
<tr>
<td>Employees are encouraged to go home after a certain time of day.</td>
<td>ADVERTISING</td>
<td>Median: 2.0</td>
</tr>
<tr>
<td></td>
<td>&amp; MEDIA</td>
<td>Mean: 2.27</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: .905</td>
</tr>
<tr>
<td>HR decisions take an employee’s family/personal situation into account.</td>
<td>ADVERTISING</td>
<td>Median: 2.0</td>
</tr>
<tr>
<td></td>
<td>&amp; MEDIA</td>
<td>Mean: 1.73</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: .786</td>
</tr>
<tr>
<td>Executives/managers are understanding when employees put their families</td>
<td>ARTS,</td>
<td>Median: 3.0</td>
</tr>
<tr>
<td>first.</td>
<td>ENTERTAINMENT</td>
<td></td>
</tr>
<tr>
<td></td>
<td>&amp; RECREATION</td>
<td>Mean: 2.83</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SD: 1.169</td>
</tr>
</tbody>
</table>
Overtime: Boon and Bane

Here in Toyota, work–life balance is something we value. We have a question on work–life balance in our annual workplace survey. Hence, we can always check if our Team Members feel that they still have a personal life, a spiritual life and a family life.

Sometime in 2007, when we were preparing to launch the Vios model, we had to do overtime work almost every day. In a way, the Team Members were happy because overtime work translates to more money. However, we noticed a problem when we got the results of the workplace survey. The Team Members’ satisfaction in terms of work–life balance went down compared with that of previous years without as much overtime. The Team Members felt very tired. They themselves were telling us that it was really difficult for them to work hard on the day following three to four hours of overtime.

Overtime work is normal in Toyota, but only for a maximum of two hours. If there is no overtime, people complain because they notice the dip in the salary. Somehow because of the constant overtime, the Team Members get used to the extra pay. Especially for those who work in the production line, rendering overtime work is part and parcel of performing their commitment to their families as the breadwinner.

-Ms. Cathy Benitez
Manager, TRL
Results

For the second year in a row, the difficulty to hire for key positions is the most frequently cited problem (see Table 5). This is the most significant problem cited by 113 companies (or 61% of the total). All respondents from the manufacturing (others) sector and the wood and paper industry are finding it difficult to attract and retain talent.

The problem related to balancing work and family comes next with 73 companies (or 39%) selecting it as a major concern. About 83% of the respondents from the transportation and storage sector, and 75% from the professional, scientific and technical activities sector confirm that work–family conflict is a significant problem.

The third biggest concern of respondent companies is the lack of employee initiative. Around 60% of the total respondents from three industries—chemicals, rubber and plastics, administrative and support services, and wood & paper—indicated this problem as significant to them.

Table 5. Most Significant Problems

<table>
<thead>
<tr>
<th></th>
<th>20005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of companies</td>
<td>(32)</td>
<td>(57)</td>
<td>(184)</td>
</tr>
<tr>
<td>Resistance to move to another city</td>
<td>2nd</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Absenteeism</td>
<td>1st</td>
<td>3rd</td>
<td></td>
</tr>
<tr>
<td>Difficulty in hiring for key positions</td>
<td>1st</td>
<td>1st</td>
<td></td>
</tr>
<tr>
<td>Difficulty in balancing work &amp; family</td>
<td>3rd</td>
<td>2nd</td>
<td>2nd</td>
</tr>
<tr>
<td>Lack of employee initiative</td>
<td></td>
<td></td>
<td>3rd</td>
</tr>
</tbody>
</table>
Concluding Remarks

For the third year of the FRE study in the Philippines as part of the global project of the IESE International Center of Work and Family (ICWF), 184 responses from companies provided a small yet powerful body of data to begin the practice of benchmarking in work–family balance. Benchmarking has been proven to be a very effective tool for us to learn from the performance of leaders. In the field of human resource whose programs may not be highly prioritized in times of economic difficulties, shared best practices is a cost-effective, value-adding information source. And although it is true that what works well for one organization or industry may not work well for another, nonetheless it is also equally true that whatever information is better than nothing or than starting from scratch.

In analyzing the data from this survey, we have exercised caution to make conclusions on the work–family balance situation in all industries in the country. Nevertheless, the comprehensive data analysis from 19 industries and 182 companies is already a very helpful starting point for us to continue gathering industry data. Thanks to the participation of all these companies, we are grounded on a firm foundation for future research efforts.

It is our wish that this benchmark report will motivate many companies in the Philippines to participate in the FRE survey and to share their own practices and experiences. We hope that this area of benchmarking in work–family balance will help you find your sustainable edge.