



EEO TRUST  
Work & Life Bulletin  
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# Going the extra mile – why on earth do we do it?

Employers seeking scarce staff are increasingly touting their commitment to work-life balance in recruitment advertising. But apart from attracting someone into a job, do initiatives to encourage work-life balance also stimulate employee engagement. This issue of the Work & Life Bulletin explores the relationship between work-life balance and employee engagement with a discussion of recent research undertaken by Dr Mervyl McPherson of the EEO Trust and interviews with managers and staff at two Auckland workplaces that support work-life balance.

References to discretionary effort, also referred to as “employee engagement”, in a number of recent articles piqued Dr Mervyl McPherson’s interest in the possible links between discretionary effort and work-life balance. Early this year, she undertook a review of research and literature in the area and concluded that a link does exist but only in the presence of a positive workplace culture. Hence, she argues, discretionary effort and productivity can be increased by supporting work-life balance at all levels of a workplace.

Dr McPherson’s argument starts with the positive effects of work-life balance initiatives on productivity which have been demonstrated in individual case studies and statistical research across a range of organisations where the workplace culture is supportive. Examples of the link between work-life balance and productivity include self report data such as the Department of Labour’s 2006 research which found a strong relationship between employees’ ratings of productivity practices in the workplace and their own work-life balance.<sup>1</sup> Similarly, a UK survey of 597 working parents (Working Families, 2005) found a correlation between self-rated productivity, flexibility and satisfaction with work-life balance. The parents perceived flexible working options as a key factor in their productivity.

In a US survey of 400 HR executives using actual financial or statistical data,

<sup>1</sup> <http://www.dol.govt.nz/worklife/snapshot-summary.asp>

<sup>2</sup> Defined as 48 hours or more per week.

75% reported a positive or very positive bottom-line impact from work-life arrangements with the remainder split between a negligible or negative impact (Hall and Parker, 1993:5).

Some researchers argue that the productivity gains occur as a result of long hours workers being enabled and encouraged to work more reasonable hours. Long working hours have certainly been shown to have a negative effect on productivity. For example, a study of 12 leading British employers found that long hours<sup>2</sup> increased absenteeism and staff turnover, and reduced staff morale and productivity (Kodz et al, 1998).

Other researchers argue that in exchange for the “gift” of work-life provisions, employees “offer the ‘gift’ of discretionary effort, thereby increasing productivity” (Konrad and Mangel, 2000).

## Workplace culture – the way things are done

A supportive organisational culture is critical to a workplace reaping the productivity gains of its work-life balance programme. Organisational culture has been informally described as “the way we do things around here”. It encompasses shared beliefs and assumptions which may operate unconsciously and are often developed over time and embedded within an organisation.

A supportive work-life culture is defined by Thompson et al (1999) as “the shared assumptions, beliefs and

values regarding the extent to which organisations value and support the integration of work and family lives, for women and men”.

One example of how current workplace cultural assumptions are in conflict with new ways of living relates to the concepts of full-time and part-time work. Full-time work, which tends to be seen as the norm, fits the ideal worker/male breadwinner culture of the past. Part-time work is better suited to the new social reality of dual income families and a move towards greater gender equity in child-raising.

One of the problems with the work-life policies and initiatives being introduced by some organisations is that they create new ways of working without addressing the underlying assumptions that reward only the old ways of working. In workplaces without supportive cultures, people who take advantage of the new ways tend to be negatively affected through less access to training, promotion and other benefits. They are therefore unwilling to use the work-life initiatives.

Key barriers to the implementation and on-going effectiveness of work-life balance strategies identified in the literature and borne out in a 2002 Australian study (de Cieri et al) were:

- An organisational culture which emphasises and rewards long hours and high organisational commitment (to the neglect of other life commitments).

- An isolated, hostile and unsupportive working environment for employees with life commitments outside the organisation.
- Attitudes and resistance of supervisors and middle management.
- Preference of senior management involved in recruitment to dealing with people perceived as similar to themselves.
- Lack of communication and education about work-life balance strategies.

## Discretionary effort – going the extra mile

“Discretionary effort” is the extent to which employees give extra effort to their work. In the research reviewed by Dr McPherson, it is seen as an outcome of employee engagement, which also involves a mental and emotional commitment to the job or organisation. Discretionary effort is given by an employee in exchange for some benefit

or benefits and results in increased productivity.

Discretionary effort and employee engagement are therefore important issues for businesses and economies seeking to improve productivity and competitive advantage.

Engagement (commitment and effort) accounts for roughly 40% of observed performance improvements, according to a 2004 Corporate Leadership Council (CLC) survey cited in a presentation by

# “Whole person” gives more to the job

Talk about work-life balance with Chief Executive of the Auckland Chamber of Commerce Michael Barnett and he brings the conversation back to one of his core values. “You need to employ the whole of the person and respect that they have other parts of their life,” he says. “If these other parts of their life are not fulfilled then there’s going to be a disconnect between what you’re trying to achieve and they’re trying to achieve.”

“I know that Chamber staff know that the relationship we have and the way we run our business is special. It didn’t happen because I believe in work-life balance, it came out of my other values.”

Michael is confident that a flexible and supportive work environment is a strong incentive to his staff going the extra mile. “If I can employ the whole of that person and work in with them, that person will be loyal to me because it’s a better work environment than other people can provide.”

He says the result is a greater contribution to the IP being created for the Chamber. Members of his team of 35 agree.

Penny Smith has been with the Chamber since late 2005. She manages the skilled migrant work experience programme and another programme assisting DPB clients into work. It was through participation in this programme that she was employed by the Chamber.

Penny is sole parent of her five-year-

old daughter and manages her work around school hours. “Michael said just make it work,” she says. “He really does take an interest in our lives outside work. It makes a huge difference and I love my job so I have no hesitation about going beyond the call of duty.”

Michael’s PA Julie Cooke agrees. She has worked for Michael for 14 years and has recently moved to a four and a half day week. “He’s an extremely understanding boss and very willing to provide flexibility,” she says. “My disabled sister lives in a residential home and I take her to appointments and look after her in various ways. Michael is extremely supportive of that role and I’ve observed him support other staff in similar ways.”

“I feel more committed to the organisation because it gives me the flexibility to do what I need to do.”

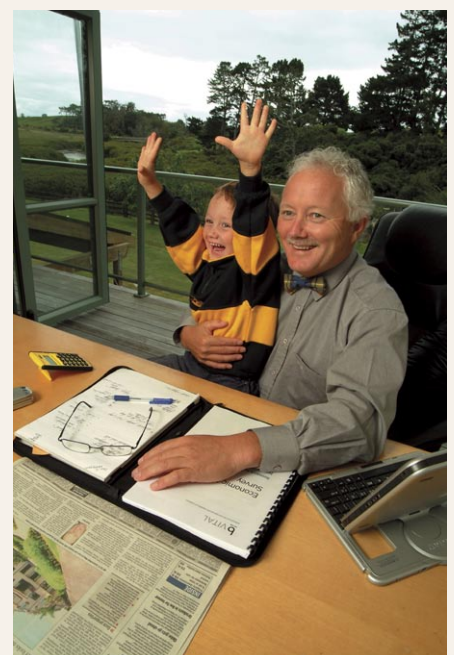
Julie says the Chamber is a very happy workplace. “You look forward to coming to work. Even though everyone is very busy, there’s still time to have a chat and a laugh.”

The Chamber has invested heavily in technology to implement flexible working and managers are authorised to develop the processes to enable every employee to work more flexibly. These processes include agreed outcomes that need to be met within a specified time while providing a degree of autonomy.

Michael says that despite the

ability to monitor people’s outputs, his management style is based on trust. “When I employ someone I test their ability to contribute in a flexible environment and when I see there’s a good relationship and performance I’m more than happy to extend the flexibility.”

As well as offering flexible working options, the Chamber provides financial support so employees travelling for work can take their families with them, as well as study leave, and a range of social events.



Michael Barnett enjoys some work-life balance with his son Finn.

the Australian Public Service Commission July 2005.

The CLC's model of engagement shows that engagement leads to discretionary effort and hence performance, as well as to commitment and retention. This study found that the greatest impact on discretionary effort comes from emotional commitment to one's job and the organisation. Commitment to team and manager rate lower but the area of rational commitment (financial rewards) rates lowest.

Discretionary effort is a relatively new research field but three key studies confirm what one would intuitively assume; that there is a positive link between discretionary effort and productivity.

## Work-life balance and discretionary effort

The link between work-life balance initiatives and discretionary effort is more complex. Management has traditionally endeavoured to increase productivity through "high performance management practices" which lead to long work hours and presenteeism. The extra discretionary effort which results from these practices can obviously negatively impact on work-life balance. On the other hand, where discretionary effort is a result of investment in employee well-being, such as through work-life balance provisions, productivity improvements may be both compatible with work-life balance and sustainable (Konrad and Mangel, 2000/Yasbek).

US researchers Mary Blair Loy and Amy Wharton (2004) cite several

studies showing links between the use of flexibility policies and enhanced commitment and performance, but their own research in the financial services industry shows that constraints on using work-life policies or flexibility, result in lower commitment to the organisation.

One-third of the respondents to their study reported feeling constrained from using the flexibility policies that were available. The constraints included heavy workloads, long hours, lack of job control and unsupportive senior staff or colleagues. Having a high proportion of women or parents in a workgroup increased people's sense that they could use flexible working options but even supportive supervisors could not counteract the effects of high workloads.

UK research of 10,000 employees in 14 organisations found that an organisation's concern for employees' health and wellbeing, including family-friendliness, is a key driver of engagement, along with feeling valued and involved. The researchers say the essential factors to increase employee engagement are good quality line management, commitment to employee wellbeing and clear, accessible HR policies and practices to which managers at all levels are committed (Robinson, Perryman and Hayday, 2004).

In her report on the links between work-life balance and discretionary effort, Dr McPherson argues that the available evidence indicates that a positive relationship between work-life balance and discretionary effort depends on a supportive workplace culture. She says that workplaces can improve employee engagement, discretionary effort and productivity by supporting

work-life balance, but this depends on a supportive people-centric culture that wholeheartedly supports work-life balance.

Contact the EEO Trust for Dr Mervyl McPherson's research report or go to [www.eeotrust.org.nz/research/index.cfm](http://www.eeotrust.org.nz/research/index.cfm)

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## Creating a work-life balance friendly culture

A number of key factors have been identified as critical in changing workplace culture to be more supportive of work-life balance:

1. Identifying the business case
2. Finding a board level champion,
3. Changing organisational language and behaviour
4. Monitoring/measurement
5. Integration of work-life/diversity policies into mainstream policies.

The first two steps can occur concurrently but the third step can take several years. It involves the provision of information on the business case through communication and training, as well as providing support for the people implementing the process and changing the language of work-life balance to portray it as "positive and productive ways of working for everyone, rather than a request for concessions by specific groups" (Working Families 2006:p.5).

## What do your staff say?

The EEO Trust plans to further develop this research project with a survey of employees of some of New Zealand's leading employers in work-life balance. Each participating workplace will receive a report on its employees' work-life balance and engagement benchmarked against other participants' results. If you would like to discuss participating in this research contact the EEO Trust ([admin@eeotrust.org.nz](mailto:admin@eeotrust.org.nz)).

# More than tea and sympathy

When Gary McMahon was appointed manager of MS Auckland four years ago, the organisation employed four staff and offered a limited range of services to people with multiple sclerosis. He says the team dynamics were strained. High caseloads and stressful work with long hours over a prolonged period had affected staff morale and productivity. Relationships both internally and externally were poor.

"You need to have energy and positivity when you're providing services to people, particularly people with MS who often feel that they have little or no control over their health or their lives," he says. "Our approach is to give them back a sense of control and, to do that, the whole team needs to be happy and positive in order to deliver a positive message."

MS Auckland now employs seven people and offers a wide range of services and programmes throughout the Auckland region. Staff include three field workers, an events co-ordinator, a fundraiser and the office administrator.

MS Auckland's entry in the EEO Trust Work & Life Awards last year revealed an organisation which takes work-life balance seriously, knowing that a flexible approach is critical to ensuring staff stay healthy, happy and productive. As Gary says, like many small employers, MS Auckland is not strong on employment policies or procedures but "flexibility is the key".

Fieldworker Janet Phare commutes from Papakura to MS Auckland's Sandringham office but, as her clients all live in South Auckland, she has the autonomy to manage her work hours to suit herself and her workload.

Another Fieldworker, Georga Forgac, often brings her toy poodle Polly to the office and on visits to clients, while fundraiser Nicola Garland, who is expecting her first child, is full of praise for the way Gary and the team have supported her during her pregnancy. Georga says that when she needed extra sick leave earlier this year it was granted without hesitation.

So, what is the result? Do MS Auckland staff go the extra mile? And do they do it

in a way that is healthy and sustainable?

Their answer is an emphatic "yes". Janet describes how she recognised a need among working clients for a networking event outside work hours so she now facilitates a Sunday lunch for up to 20 clients and their partners once a month. She's happy to give up much of her Sunday, knowing that the event is important to clients and that she's free to take time in lieu whenever it fits with her work commitments.

MS Auckland is involved in many weekend events and is often short of volunteers. For example a "Wild Wild West Cycle Challenge" in February needed 16 marshals. If no-one else is available, staff happily volunteer to give up part of their weekends to ensure such events go smoothly. They receive time in lieu but it's their commitment to the organisation and each other, rather than a few hours off during the week that's their real motivation.

"We give 150% to support a team member," says Georga.

Nicola says that the support she's received during her pregnancy means she wants to reciprocate. "It's the whole give and take thing and there's definitely a lot of give from Gary."

Gary says that it's important to MS

Auckland to support staff. "This is a business, like any other, and it's not good for business to burn people out. It's too hard to recruit good people."

Asked whether Gary himself exemplifies work-life balance, his staff recount how he manages his work hours around his commitments to his children, sometimes working a long Thursday so he can be at home on Friday or leaving the office early during the summer to take his son sailing.

In the four years since Gary's appointment, MS Auckland has greatly increased the number and popularity of its activities. Gary says that is a result of the good "vibe" his team bring to their work. "We've tripled the number of groups and programmes in the past four years through getting staff and clients on board. "Tea and sympathy has its place but we do much more than that; we support people to take control of their own lives."



*The MS Auckland team took a day out for kayaking in February this year.*

## Refugee mentoring opportunity for work-life balance

Auckland Regional Migrant Services (ARMS) is developing a project which will give local working people an opportunity to mentor young women refugees.

"Finding work is one of the major issues faced by refugees to New Zealand, particularly women," says ARMS Executive Director Dr Mary Dawson. "We'll match around 10 young refugee women with mentors who can assist them to develop their skills and confidence and transition into paid work. A similar Australian programme was extremely successful in helping refugees gain work experience and permanent employment."

Dr Dawson says the mentoring project creates an interesting work-life balance opportunity for Auckland employers. "Employees who could benefit from experience in providing training and mentoring, and would enjoy helping a

young refugee settle into New Zealand are likely to jump at this opportunity.

"The time commitments won't be onerous but the mentors will make a real difference to the life of an individual and her family."

The refugees being mentored could be young women from refugee families who have spent some years in secondary school or tertiary education in New Zealand. They may lack confidence and need more exposure to the New Zealand work environment to improve their employability.

If someone in your organisation could benefit from being a mentor, contact Programme Co-ordinator Anna Fyfe-Rahal on 09 625 2440 ext 751 or [annaf@arms-mrc.org.nz](mailto:annaf@arms-mrc.org.nz). The EEO Trust is keen to promote any success stories which emerge from this project.

## Online teleworking survey

Telework New Zealand is offering a free online survey to help organisations benchmark their telework programmes. The survey is an ongoing initiative that aims to provide an evolving picture of off-site work practice in New Zealand and Australia. Over 170 organisations are listed on the database.

Organisations which complete the 17 survey questions will be emailed an Excel report. To complete the survey go to [www.telework.co.nz/Benchmark.htm](http://www.telework.co.nz/Benchmark.htm)

## Latest research

### Work-life balance: Rhetoric versus reality

Recent research from the UK has found that although people are generally happy with their working arrangements, the work-life balance initiatives on offer do not always meet their needs.

The research was commissioned by the UK's largest trade union, UNISON which represents more than 1.3 million members working in the public services, voluntary and private sectors. It was undertaken by the Work Foundation and, as well as exploring UNISON members' experiences of work-life balance, also analyses the extent to which the growing awareness and popularity of work-life balance has translated into cultural change.

The study included surveys of UNISON members and branch secretaries, as well as four focus groups with members. Its findings include:

- Members report high levels of job satisfaction and are generally happy with their working arrangements.
- Work-life balance is important to members, but can be less important than other factors and is significantly affected by other issues, such as the amount of control people have over their work.
- There is a feeling that employers are investing in work-life balance, but the "solutions" offered are not always compatible with members' needs. In some cases members feel that employers are paying lip service to the idea of work-life balance, but are not making sufficient investment in managing the implementation of initiatives.

- Some members feel that they are not always making well-informed decisions about their own work-life balance or that of the staff they manage. Indeed, some feel that their employer deliberately communicates work-life balance policies ineffectively. Related to this is a concern that some policies are implemented on an inconsistent and inequitable basis.
- There is significant "unmet demand" for some work-life balance options.
- Individual control and voice is important: many members wanted to have a dialogue with their managers about managing their work-life balance.
- Members are pragmatic about workable solutions: although members have views about their "ideal" working arrangement, they are prepared to settle for different arrangements and are willing to make compromises and to balance their own needs with those of the organisation, customers and other staff.

On the basis of its findings, the report identifies a number of key barriers to work-life balance including insufficient employer commitment and an unsupportive organisational culture.

The report argues that employers need to equip managers with the relevant skills to manage people and to match the objectives of their work-life balance initiatives with other performance objectives.

[www.theworkfoundation.com/Assets/PDFs/unison.pdf](http://www.theworkfoundation.com/Assets/PDFs/unison.pdf)

## The Hudson Report: Employment expectations

Recent survey findings from Hudson show that for 80% of the New Zealand employers who offer job sharing it has a positive effect on recruitment and retention. However, only 30% of the employers responding to the survey did offer job sharing with larger employers more likely than small ones to do so.

The Hudson report says that there is a strong demand for job sharing, both as an organisational and individual flexible work solution. "Employers are beginning to provide job share programmes (to varying degrees) and individuals are considering job sharing as a serious work option.

"The evidence also confirms that when a job sharing programme is properly implemented and integrated into an organisation it significantly contributes to an organisation's ability to attract and retain staff. Reductions in staff turnover and replacement costs also mean organisations can realise real bottom-line benefits."

[www.nz.hudson.com/documents/nz\\_emp\\_HudRep\\_EmploExpect.pdf](http://www.nz.hudson.com/documents/nz_emp_HudRep_EmploExpect.pdf)

## From builders to boomers: A social report on Generations X & Y

As this Australian paper says "generational studies are a relatively new phenomenon" due to the hierarchical structure of society in the past which meant that different age groups rarely mingled in the workplace. "Further, the younger demographic had little spending power and even less influence so market research was not conducted with them."

The paper focuses on emerging adults in the 12-26 age group. In Australia, this cohort makes up 20.5% of the population. It discusses the key factors relating to these young people including work-life balance, friendship and family, and spirituality.

[www.mccrindle.com.au/wp\\_pdf/BuildersBoomers\\_X\\_Y.pdf](http://www.mccrindle.com.au/wp_pdf/BuildersBoomers_X_Y.pdf)

## Events

### Caring for the Carers Summit 12-13 April 2007, Wellington

The summit theme is *Stepping Up, Speaking Out*. Work-life issues will be explored by keynote speaker Gail Hunt who is President and CEO of the National Alliance for Caregiving (US) and convener of the international consortium of national carer organisations.

[www.carers.net.nz](http://www.carers.net.nz)

### Enhancing our Com(mon)unity 30 April - 2 May 2007, Rotorua

The theme of this conference is creating social inclusion for people with experience with mental illness. One stream will explore employment related issues, including a workshop about different ways of promoting social inclusion and employment. Organised by the Mental Health Commission and Standards Plus.

[www.imaginebetter.co.nz/eoc2007\\_index.shtml](http://www.imaginebetter.co.nz/eoc2007_index.shtml)

### EEO Trust Work & Life Awards 30 August 2007, Auckland

Enter the EEO Trust Work & Life Awards this year and join us to celebrate 10 years of recognising and honouring workplaces which encourage work-life balance. A special diversity category has been introduced to mark the tenth anniversary of the awards and the gala presentation dinner in the evening will be preceded by a diversity symposium during the day. To find out more about entering the awards go to

[www.eeotrust.org.nz/awards/awards.cfm](http://www.eeotrust.org.nz/awards/awards.cfm)



IBM is once again sponsoring the EEO Trust Work & Life Awards.