

BALANCING WORK AND LIFE

FLEXIBLE WORK EXPLAINED



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FOREWORD

Striking a balance between paid work and personal commitments is a challenge for the modern workforce.

It's the challenge of how to make work, *work*.

And it's not just mothers or people caring for elderly family members who are requesting flexible working arrangements.

As the workforce ages and diversifies and technology changes the way we work, many New Zealanders are seeking flexibility to help juggle paid work with other things that matter to them such as participation in community activities, voluntary work and time with family.

Plenty of evidence suggests it's possible to offer this without losing efficiency and employers who introduce flexible and family-friendly work policies usually find the benefits of reduced absenteeism and more positive employee attitudes far outweigh any administrative costs.

In doing so they also help to build healthy communities in which enterprise can flourish.

Yet many employers are asking – how do we do it?

This booklet cuts through the jargon to highlight a few simple things businesses – particularly small to medium-sized enterprises – can do to offer greater flexibility to their staff. Draft policy examples are included along with helpful case studies and a list of contacts for more information from within the Business NZ family and the Department of Labour.

Voluntarily implementing a policy that best suits your particular workplace will bring far better results than a legally imposed system ever could. Legislating for flexibility might even prove counter-productive.

There's room to be creative and I encourage businesses and employees to examine the options with an open mind.



Phil O'Reilly
Chief Executive – Business NZ



SECTION ONE

Making sense of quality flexible work.

Essentially, it's about giving employees the opportunity to make changes to the hours they work and where they work from, in order to harmonise commitments to their employer with those in their personal lives.

It can include allowing a few hours off during the day to watch their child compete in a school sports tournament, a period of study leave, flexible starting and finishing times and providing support for those caring for a sick relative. For employees reaching retirement, flexible working can also be a way of moving to the next stage of life.

Employees need varying degrees of flexibility at different times in their working lives and some

will cope by choosing to work part-time or on a casual basis.

However, full-time employees also have family or personal responsibilities and will appreciate knowing their employer has a policy in place allowing them to ask for flexibility when they need it, and that their request is likely to be accommodated – provided all workplace needs are met.

So, a 'quality' flexible work policy is one available to all employees. It may, but doesn't have to, involve the ability to make part-time work requests but it can also cover quite simple arrangements, such as time off to visit the dentist, that make reconciling personal and work life that much easier. In most cases, workplace flexibility is really just common sense.



Why have a flexible work policy?

The idea of flexible work practices is not new and organisations introduce them for a number of reasons, enjoying numerous benefits as a result.

Some of the reasons:

- Gaining access to a wider recruitment pool: For example, flexibility may help encourage more women and youth into employment.
- Enabling existing employees to keep working if circumstances would otherwise prevent it. For example, those returning to work from extended sick leave or parental leave and those with dependent or aged parents or other relatives.
- Improving public relations: Positive regard for the company among its employees helps foster a positive attitude in the wider community.
- Being responsive to market demands: A more diverse staff helps a business respond to diversity in its customer base.

Some of the benefits:

- Improved recruitment: Flexibility can enhance the ability to attract candidates with specific qualifications and experience. In other words, to become an employer of choice.
- Greater job satisfaction: Employees can feel stressed when their work and personal responsibilities clash. Keeping these in balance will help them perform better at work and can boost staff morale and commitment.
- Better staff retention: Employees who feel valued by their employer are less likely to resign and go to a competitor.
- Reduced absenteeism and sick leave usage.
- Greater flexibility for business operating hours.

Despite these benefits, flexible working will not work long term if helping employees comes at the expense of business performance.

Therefore the best flexible work policies will also have the capacity to help improve a company's bottom line.

What should a flexible work policy look like?

There is no single answer. A policy should be reflective of the organisation; its size, the nature of work performed, whether shift work is a feature, whether standard hours are worked, whether there is a need to be open at non-standard times and so on.

For small organisations the policy is likely to be informal, with other employees prepared to cover for someone with a good reason to be away from work. In such cases, spelling out the employee's right to make a flexibility

request and have it considered, may be all that's needed.

Large and medium-sized organisations will need more formal policies and must ensure staff are aware of these and have confidence their flexibility requests will be properly considered. Although some organisations are prepared to offer flexibility, they don't always make it well known, so it accommodates only those employees who are brave enough to ask. This can cause real resentment.

Where do I start?

Consultation is probably the best way to begin. Ask employees about the sort of policies they would like and involve their unions in discussions if the employees are union members. Do this through general meetings, departmental meetings, workshops, questionnaires, surveys – whatever seems appropriate. Or, establish a representative committee but make sure it is properly representative. Consultation occurring exclusively at the top too often produces answers nobody wants.

Because employee input is important, meetings should be held at times when as many employees as possible can attend. For example, don't call meetings when many staff have

left for the day. Even employees not looking to change or reduce their hours will have commitments outside their 'usual' working day, so it makes sense not to schedule meetings outside the hours most employees work.

Costs and benefits must be weighed up before any policy is introduced.

Once it has been decided on, any flexible work arrangement will need to be tested and should usually be subject to a trial period to determine whether or not it will work.

Effective staff communication is essential to ensure employees are aware of the policy and practices.

Ways to introduce flexibility

Perhaps the simplest solution is to adopt a policy that lets all employees know their requests for flexibility will be listened to.

Make sure employees are aware that any reasonable requests will be put to their employer, manager or supervisor for real consideration and will be granted if at all practicable. This information should be reinforced in writing and displayed in a common area such as on a notice board or the tea-room wall.

A simple policy of this sort avoids undue rigidity and means a range of needs can be considered in the short and longer-term.

Employees may request time off to attend a parent-teacher interview, to care for an elderly relative, or for non-urgent medical or dental appointments. These will be one-off occasions and employers might allow their staff to make

up the time or, for medical appointments, use an hour or two of unused sick leave.

Some employees may want more permanent arrangements such as moving to part-time work or working reduced hours, particularly when they return from parental leave or as they approach retirement. Alternatively they may want to job-share, work from home or have flexible start and finish times.

Whether this is feasible will depend on the nature of the work; some jobs can only be done "on location" wherever that may be – the construction site, classroom, salon or if, for example, the work involves driving a truck or flying an aeroplane. Some jobs need to be done at specific times – factory, shop and restaurant work comes into this category, although in some instances, roster variations can make time off possible.

If a request is feasible, a proper flexible work policy will require employers to think about how or whether it can be implemented. A simple 'no' will not be good enough.

If a request to reduce hours of work is granted, a policy may (or may not) provide for consideration to be given to restoring original hours if the employee's circumstances change.

Although flexible start and finish times can make life easier for some employees, feasibility is likely to depend on the nature of the work. In the case of shift workers, flexibility in roster preparation and ensuring rosters are drawn up far enough in advance to facilitate swapping (if permitted) is likely to reduce absenteeism, even if developing this kind of system may not initially be easy.

What are the risks?

The most obvious is a lack of even-handedness by the employer, arousing suspicions of favouritism. Employees must be confident they will be listened to if their request is reasonable. And if a request is refused, the reason for refusal must be similarly reasonable. Flexibility will only succeed where there is trust on both sides. Workplace flexibility should never be taken advantage of or used as a bribe.

What else can be done for employees with children?

Sometimes it's not so much a question of providing flexibility of hours but of helping out with childcare arrangements or providing school holiday programmes. Of course, many employers won't be in a position to help in this way. However, it may be possible to put parents' minds at rest by permitting children to phone in after school or to leave a message for a parent if they need to and be assured the message will be passed on.

Some employers may provide a private room where an employee can breastfeed. Ideally this room will be comfortable, lockable, and have a fridge where milk can be stored. There should also be facilities for heating milk, if required.

In emergency situations, some workplaces may be able to let employees bring their children to work if, for the time being, no other child care is available. However, health and safety requirements may mean this is not always possible.

Another possibility is for employers to provide advice on how to find community or social services that staff and their families might need from time to time. It's very much a case of asking employees and thinking laterally.

SECTION TWO

Examples of flexible working arrangements

Flexi-time

Flexi-time can work in a number of ways. Possible variations are:

- Core hours, for example 9pm – 2pm or 9.30am – 2.30pm, and varying starting and finishing times outside these hours with an agreed number of hours to be worked each week
- Four-day week: Full time hours (40 or 37.5-hours per week) worked over four days instead of a five-day period, or 80 or 75-hours worked over a nine-day period
- Time off to visit children in day care, attend school events, take dependants to medical appointments etc
- Ability to manage own work and how and where it is done, provided any attendance requirements such as work meetings are met.

Any of these arrangements can be subject to a trial period and this should be clearly documented to avoid misunderstanding (as should any policy ultimately put in place). Once an agreement has been reached, both parties should sign it, the employee should be given a copy and the agreement should be kept on file for future reference.

Job sharing

Job sharing comes in two basic forms:

- Two employees jointly share one full-time job. Duties are not divided and both employees are familiar with and perform all the tasks associated with the position. Job sharing is not generally suitable for project-based work but can work well where

work is ongoing. This arrangement demands the highest level of communication and job-holder co-operation.

- Two employees divide responsibility for a full-time position between them. The employees perform separate tasks but can provide back-up for each other if required. The arrangement is more suitable for project work, where the work can be divided on a customer/client basis, or where the job-sharers are not well known to each other.

Whether or not job sharing is possible will depend on the nature of the work and the way in which it is divided in terms of responsibility, accountability, and authority. The success of job sharing may well depend on how well the jobsharers get on with each other and this should be considered from the outset.

Job sharing differs from part-time work in that it allows one full-time job to be divided between two people. With part-time work however, the job itself is not large enough to be a full-time position. Working time arrangements in a job-share situation can vary according to the nature of the job and the needs of both the job sharer and the organisation.

Possible arrangements include:

- 50:50 (equal) or unequal shares
- Shares in a job involving more than 40 hours per week – e.g. each employee works 30 hours per week
- Each employee works half a day – one in the morning, the other in the afternoon

- Each employee works half a week – one for the first 2½ days, the other for the second 2½ days
- Each employee works one day on and one day off, or some variant such as two days for one employee and three days for the other
- Allowing overlapping time on one or more days, as required, enabling a smooth handover
- Enough flexibility to allow employees to cover for each other
- Unrelated schedules where the job involves case or research work
- Allowing jobsharers to attend meetings together as required.

Just remember, job sharing can present a difficulty if one job sharer leaves. So this needs to be covered when a job sharing arrangement is agreed. A provision along the following lines should therefore be included in the employment agreement:

"If the other party to this job sharing arrangement leaves [insert employer's/company's name] employment or transfers to another position with the employer/within the company, every endeavour to find a replacement for the other party will be made. However, if replacement is not possible, the employee will be offered any suitable alternative full or part-time position. Should no such position be available, the employer/company reserves the right to give notice in accordance with this employment agreement, terminating the job-sharing arrangement."

Working from home

There are several reasons why an employee may want to do this. For example:

- To care for a sick dependant (although this situation may be covered by statutory or agreed sick leave)
- When working on a particular project, eg: education
- To accommodate family responsibilities

Working from home can be done on a regular (for all or only some working hours) or irregular basis. Working from home may not be practical if the work involves:

- Face-to-face customer contact
- Problems or questions that can only properly be dealt with at work
- The need for administrative support or access to resources such as printers, photocopiers, hard copy files
- A job that can be done only on the employer's premises
- Working from home is most suitable for project-based tasks where the emphasis is on writing and strategy planning but can also be used in on-call situations where an employee has to be available for work but does not need to be at work.

As working from home is likely to involve the provision of computer equipment and the installation of separate phone lines or broadband, the employer and employee will need to agree about who will bear the associated cost before entering into an arrangement of this kind.



The employer must also ensure health and safety requirements are met and that the employee's work-station is ergonomically sound.

Employees who work from home should be reimbursed for phone calls and other expenses related to their work.

Buyable leave

This option to "buy" additional leave in exchange for a percentage of annual salary allows employees to plan for major leave periods for overseas travel, study leave or family responsibilities.

For example, employees on individual employment agreements may negotiate to exchange 2 per cent of their base salary plus regular fixed allowances for each additional week of leave, up to a total of six weeks.

Agreement is needed from the employer to ensure the additional leave will not compromise business requirements. If these cannot be met, the leave may be declined or shortened.

The cost of the buyable leave can be deducted from the employee's pay throughout the year. Normal pay continues over the period of leave, as it does for annual leave. The period of leave still counts as continuous service.

The accrual for leave occurs over a 12 month period and is used within 12 months of entitlement. If the employee cannot take the leave, it is usually refunded at the rate of salary at which it was bought/accrued, not at current salary.

Bought leave is usually booked in weekly blocks, not days, to keep it administratively simple. The company reserves the right to cancel leave if required.



SECTION THREE

Policy Guidelines

Here are some examples of flexible leave policies suitable for smaller organisations.

Workplace flexibility – a simple policy outline

It is understood that employees may sometimes need to ask for time off during working hours for medical appointments or to deal with family responsibilities, or may perhaps want flexible working hours.

Any employee may make a request of this nature and can be assured it will be taken seriously and granted if at all possible, taking into account organisational requirements.

Employees seeking leave for non-urgent medical or dental appointments may ask to use a portion of any unused sick leave for this purpose. In such cases leave may be taken in small segments, for example, two hours for a typical medical appointment.

In all other cases, leave will be unpaid unless agreement is reached that the time taken will be made up on some future occasion.

Breastfeeding in the workplace

This workplace provides a room with breastfeeding facilities for the use of any employee who returns to work from maternity or parental leave and who wants to continue breastfeeding her baby.

Please do not hesitate to ask about the room's availability.

Employees using workplace facilities are entitled to two half-hour breastfeeding breaks in any eight-hour period but will need to make their own baby-care arrangements outside those periods.

After-school telephone service

Employees who want to ensure their children have arrived home safely after school may ask the receptionist to record calls from individual children (to be reported to the parent). In cases of genuine concern, employees may make their own phone call or calls for the purpose of establishing a child's whereabouts.

Community care/parental leave information

The office can provide on request a list of local child care providers and available eldercare services.

Information on parental leave and leave eligibility can also be provided.

Workplace flexibility in action

Here's how flexible workplace policies operate in the following businesses.

Flexible rosters at Silverstream Supermarket

Graham Douglass, owner of the Silverstream Supermarket, is very conscious of his employees' varying needs and makes every effort to accommodate these whenever possible.

"We try to be flexible," he says. Graham realises employees "have a home life as well" and that students who work for him have to juggle paid work with homework and sports activities. All these things are taken into account when rosters are drawn up and reasonable provision is made for an exchange of duties, if necessary.

The nature of the industry means the shop must be open at weekends but roster-setting ensures all full-time staff get two days off together, either Sunday and Monday or Friday and Saturday. Two employees currently work four 10-hour days to suit their particular schedules. And any case of sickness or emergency is always dealt with sympathetically. To Graham, "getting things sorted out" is what matters.



"Give and take" works at Stratus Financial Services

Brenda Collins, the practice manager for Stratus Financial Services, is forthright in her support for flexible workplace practices. "It's something every employer should be doing," she says.

With offices in Auckland and Wellington, Stratus employs two students on 20-hour a week contracts but allows them to vary their working times to suit their university commitments and often provides more work in the holidays, if they want it.

For two mothers on the staff a time in lieu system operates so that a bank of hours can be built up for future use, mainly for school activities. On some occasions this works in reverse, with the ability to go into the negative and make the hours up later.

Work start and finish times can also vary – and it's very much a question of give and take. Monthly monitoring applies but the company has never had to ask anyone to make up time. And, of course, in an emergency, children always take precedence.

Brenda believes, overall, this flexibility leads to a "win: win" situation for both the employer and the employee.



Finding help

The following organisations can provide advice in developing flexible workplace policies.

Employers Organisations

Members can seek help from their local branch, listed below.

Employers & Manufacturers' Association
(Northern)
Private Bag 92066
AUCKLAND

www.ema.co.nz

Telephone: 09 367 0900

Employers & Manufacturers' Association
(Central)
PO Box 1087
WELLINGTON

www.emacentral.org.nz

Telephone: 04 473 7224

Canterbury Employers' Chamber of Commerce
PO Box 359
CHRISTCHURCH

www.cecc.org.nz

Telephone: 03 366 5096

Otago/Southland Employers' Association
PO Box 473
DUNEDIN

Telephone: 03 455 5165

Department of Labour

Helpful information on the Department of Labour's 'Work-life Balance Workplace Project' can be found at:

www.dol.govt.nz

EEO

The Equal Employment Opportunities Trust website provides information and tools on EEO for employers and raises awareness of diversity issues in the workplace.

www.eeotrust.org.nz



