



# Making work life balance work

A guide to implementing flexible work practices in larger organisations



## Introduction

Long term demographic change - particularly an ageing workforce – will result in Western Australian businesses experiencing ongoing labour and skill shortages, regardless of short term economic fluctuations.

The introduction of flexible work arrangements is one strategy that can assist in attracting and retaining staff. This publication provides guidance on how to develop and implement a flexible work strategy in your organisation.

**Part A** outlines the basics of introducing a flexible work strategy into an organisation for the first time. It includes steps for assessing, developing and documenting flexible work arrangements that suit both employee and organisational needs, and establishing processes to measure the success of work life initiatives.

**Part B** focuses on how to make flexible work initiatives a normal part of workplace culture. It outlines a range of strategies that organisations can use to develop a business where workplace flexibility is encouraged and supported.

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## Part A – Developing a flexible work strategy

This section provides steps for introducing a flexible work strategy into an organisation for the first time - assessing, developing and documenting flexible work practices that suit both employee and organisational needs.

**Step One** focuses on identifying the flexible work requirements of employees.

**Step Two** stresses the importance of implementing flexible work practices that meet the needs of your organisation and its clients.

**Step Three** involves documenting new work arrangements and ensuring that initiatives meet legal requirements.

**Step Four** focuses on establishing ongoing measurement processes to ensure that flexible work practices remain relevant to the organisation and its workforce.

### What are flexible work practices?

There are a wide variety of initiatives that organisations can introduce as part of a flexible work strategy. Many of these focus on greater flexibility in hours and work arrangements, some relate to leave arrangements and other focus on provision of assistance to employees in the workplace.

The Department of Commerce's work life balance website [www.worklife.wa.gov.au](http://www.worklife.wa.gov.au) contains a range fact sheets that outline the types of work life practices currently being adopted by many organisations.

### What do employees want?

In the United Kingdom, The Investigation into the Transformation of Work report found that the most popular flexible working options with employees generally were:

- time off in lieu (79%);
- working from home (73%);
- flexi-time (71%); and
- part-time work (50%).

While there are many other flexible working options available to employers, this study found that having control over how and when work is performed was considered more important to employees than the length of time worked, or reducing time worked.

## Step one – Identify the work life needs of employees

Understanding which initiatives will be most beneficial in attracting and retaining staff is the key to developing an effective flexible work strategy.

The types of flexibilities that will appeal to any organisation's workforce will depend on where employees are at in their work life cycle. Many organisations have concentrations of employees from a particular gender or age cohort, particularly within sections of occupations.

The first step in developing a flexible work strategy focuses on identifying the needs and desires of current employees, and determining which flexible work options would best assist them to balancing work and lifestyle commitments.

The aim of this first step is to gather information about the specific flexible work needs of employees within your organisation. Some strategies for identifying needs are:

- asking employees individually (this may work best in small workplaces);
- discussion with employees in staff meetings;
- holding focus groups;
- asking employees through general surveys, or via managers and supervisors; or
- undertaking a formal work life balance survey.

In larger organisations, it might be useful to establish a work life balance consultative group with representatives from various sections and/or roles within the business. The consultative group could work on identifying the needs of employees and then assist with the other steps in implementing flexible work practices.

Be aware that the needs of the workforce may change over time, as employees change their family and lifestyle arrangements. It is important to regularly check that flexible work initiatives are continuing to meet employee needs.

### Conducting a work life balance survey

Conducting a work life balance survey is not a complex process. The survey should be short and simple, and could be used to:

- find out more about employees' work life preferences;
- provide employees with a list of flexible work practices and other initiatives that may be made available; and
- ask employees which options they would use if made available.

Remember to ensure that employees have confidentiality when providing survey information.

### The Better Work Life Balance Survey

The Better Work Life Balance Survey is a free questionnaire to help employers in evaluating and improving their work life balance policies. The Survey aims to measure how effectively organisations accommodate work life balance, by assessing employee's awareness of work life balance policies and their comfort levels in using these policies. The Survey is available at [www.worklife.wa.gov.au](http://www.worklife.wa.gov.au)

## Step two – Assess what will work in your organisation

Flexible work initiatives need to work for the organisation as well as for employees. The second step in developing a flexible work strategy is to assess what flexibility initiatives will be feasible for your workplace.

It is important to think broadly when examining the impact of flexible work arrangements. For example, establishing a job sharing arrangement might require additional time in the setup phase, but result in a higher level of productivity in the long term.

Major issues to consider in relation to the feasibility of flexible work arrangements include:

- required client or customer contact hours / opening hours;
- minimum staffing requirements in both busy and quiet times;
- equipment operating needs; and
- workload peaks and troughs.

Associated issues such as insurance, workers' compensation, legal liability, security, taxation and superannuation implications, equity and supervision need to be considered carefully for some of the flexible work practice options.

### Undertake a cost-benefit analysis

It is also important to consider the cost and level of administrative support required for any new initiatives. Some initiatives, such as establishing a workplace family room, may require initial expenditure but be very cost efficient in the long term.

As part of the decision making process, employers could conduct a cost benefit analysis of proposed flexible work arrangements to ensure there are real advantages to both the employer and employees, and that the advantages outweigh costs.

As staff turnover has cost implications, employers could calculate the cost of staff turnover, ie the costs of:

- paying out accrued hours and leave entitlements;
- temporary replacements or overtime until the job is filled;
- advertising, selection and recruitment; and
- induction; and on and off the job training time for the new employee and supervisors.

Any additional costs of flexible work initiatives, such as the cost of additional equipment in setting up a workplace family room or working from home arrangements, should be calculated over the life of the equipment and be offset against savings associated with retaining skilled productive employees.

### Trial and see

Trialling a new flexible work arrangement is a good way to see if it suits both employees and the organisation. A short term trial could be agreed with a fixed end date, and a review undertaken at the end of the trial to determine its effectiveness.

## Flexible work is for everyone

It is important to remember that employees of any age or gender may desire more flexible work arrangements. Flexible work arrangements can help attract and retain mature age employees, employees who have elder care or child care responsibilities and employees who wish for more flexibility in hours to better meet their lifestyle preferences.

## What makes flexible work initiatives successful?

The best flexible work initiatives are those that are:

- consistent with the employer's short and long term objectives of improving workplace flexibility, productivity and efficiency;
- integrated into the organisation's business plan and human resource policies;
- adaptable to meet the changing needs of the employer and employees;
- supported by managers and supervisors;
- available to all employees;
- clearly explained so that employees are informed of the options available, the rules and conditions that apply, and the benefits which are expected by the employer;
- well promoted to encourage employees and supervisors to make use of the flexible work practices;
- not too disruptive to normal work requirements;
- not risking any occupational health or safety standards for the employer or employees;
- measured and evaluated to ensure benefits are being achieved; and
- monitored and reviewed to meet the changing needs of the employer and employees.

## Calculating the cost of paid parental leave

Paid parental leave is being implemented by many organisations as a strategy for retaining experienced staff. Paid parental can result in increased return rates of employees for parental leave, as well as recognition for organisations as good employers.

The average cost of paid parental leave can be easily calculated. Using the minimum standard for paid maternity leaves set by the International Labour Organization, which is 14 weeks paid leave and the average number of employee per year who take parental leave, the cost of paid leave can be calculated as:

**Average number of employees x 14 weeks x average salary = \$ cost of paid leave**

**For example - 2 employees x 14 weeks x \$944\* = \$13216**

The cost of providing additional paid leave to employees will be offset by the costs incurred in replacing employees who do not return from parental leave including paying out employment entitlements; training new employees; conducting recruitment processes and lost experience and corporate knowledge.

*\*The figure of average weekly ordinary time earnings for female employees in WA is used in this example. Source ABS Average weekly earnings May 2007*

## Step three –Document your arrangements

It is important to formalise any new work arrangements in writing. The third step in developing a flexible work strategy is documenting your arrangements.

Flexible work arrangements can be documented in any way that suits your organisation. In larger workplaces, a formal human resource policy on flexible work practices may be appropriate. Alternatives include detailing flexible work arrangements:

- in staff manuals;
- in induction handbooks;
- on the work notice board; or
- or business intranet.

Make sure that all employees are aware of where to find the information.

Having a written version of all flexible work arrangements is essential so that employees can be made aware of policies and initiatives available, and so that employees can plan for current and future needs. Documentation can also assist both managers and employees by establishing a clear and transparent process for assessing any requests for flexible work arrangements.

### Making it legal

Organisations must ensure that any new flexible work arrangement is consistent with their obligations under industrial relations laws and relevant awards, agreements, and/or contracts of employment. State and federal legislation both provide minimum entitlements to annual leave, bereavement leave, parental leave and carer's leave.

For example, a proposed flexible working hours arrangement must adhere to the 'hours of work' clause in the relevant award. If there is conflict between award requirements and the proposed arrangement, employers may wish to formalise these negotiations via a certified agreement.

### Developing a flexible work policy

Flexible work policies do not need to be long and complex documents. They should clearly outline the provisions relating to each flexible work arrangement. Key information that could be included is:

- the aim or purpose of the policy and the flexible work initiative;
- the nature of the provision;
- eligibility criteria if any;
- the application process including who has decision making ability;
- an appeal process if appropriate; and
- the date when the policy is effective and when it will be reviewed.

A sample flexible working hours policy is outlined on page 8.

## Sample flexible work policy

### *Organisation X*

#### Flexible hours of work policy

<b>Objective</b>	The objective of this policy is to provide all staff of <i>Organisation X</i> with access to flexible hours of work that meet our organisations operational needs and customer service requirements; and assist employees to balance work and personal commitments.
<b>Scope</b>	Flexible working arrangements are the primary hours arrangement and apply to full time, part time and fixed term contract employees, unless the employer otherwise specifies or the employee does not wish to work flexible hours.
<b>Definitions</b>	<p><b>Flexi leave</b> Flexi leave is time off work using accrued credit hours. In any four week settlement period an employee may be allowed a maximum of three days flexi leave.</p> <p><b>Credit hours</b> Credit hours are hours worked in excess of the prescribed hours of 150 hours per settlement period. A maximum of 15 hours can be carried forward to the next settlement period.</p>
<b>Policy Principles</b>	<p>Consistent with the provisions of the <i>Organisation X Enterprise Agreement</i>, flexible working arrangements enable the hours of duty to be worked with flexible commencement and finishing times within the prescribed hours of duty and provide access to flexi leave subject to the employer retaining the right to determine arrangements that best suit operational needs.</p> <p>The prescribed hours of duty are 152 hours per four week settlement period, to be worked between 7.00am and 6.00pm Monday to Friday as determined by the employer, with a lunch interval of not less than 30 minutes. Employees shall not be required to work more than five (5) hours continuously without a break.</p> <p>A maximum of 10 ordinary hours may be worked in any one 1 day, between the hours of 7.00am and 6.00pm.</p> <p>Flexi leave must be taken consistent with the prepared roster where one exists and subject to the prior approval of the supervisor. Flexi leave must be applied for using the flexi leave form available on the <i>Organisation X</i> intranet.</p> <p>There will be limitations to flexible working arrangements where employees have line management responsibilities and/or there are particular operational requirements of a work area.</p>
<b>Responsibilities</b>	<p>Employees using flexible hours of work are responsible for maintaining accurate time sheet records of hours.</p> <p>Managers are responsible for approving flexi leave.</p>
<b>Effective Date</b>	1 January 2009
<b>Review Date</b>	1 January 2010

## Step four - Establish processes to measure your success

The fourth step in developing a flexible work strategy is to establish processes that measure the success (or lack of success) of any initiatives.

Ongoing assessment will help ensure that your flexible work practices remain relevant to the needs of the organisation and its workforce.

What is practical to measure will depend on the size and nature of your organisation. The table below provides a range of suggested areas where it may be possible to measure the effects of work life balance initiatives.

Area	What can be measured?
Staff retention	Staff turnover rate, number of job vacancies. Cost of replacing an employee, including advertising, recruitment costs, on and off the job training costs and administration costs.
Staff attraction	Number of applicants for each job vacancy advertised Cost of recruitment, induction and training
Usage rates of work life balance initiatives	Number of employees working part time, number using flexible work hours, number of employees taking paid parental leave etc
Productivity	Workload indicators Productivity indicators
Absenteeism	Amount of sick leave taken per employee.
Satisfaction with work life balance initiatives	Employee satisfaction with flexible work arrangements through survey of focus groups Employee satisfaction with work life balance, job satisfaction and wellness through repeat work life balance survey Management satisfaction and/or problems with flexible work arrangements through survey or focus groups
Costs of initiatives	Costs of setting up home based work facilities (offset with reduced cost of office accommodation if appropriate) Costs of additional paid leave provided to employees Additional administration costs if any

## Part B - Making flexible work 'normal' practice

This second section focuses on how to make flexible work initiatives part of the normal practice of any organisation. It outlines a range of suggested strategies that organisations can use to help introduce a culture where flexible work is encouraged and supported.

One of the major challenges for organisations is to turn a flexible work policy into practice and ensure employees are actually using flexibilities. Unfortunately, in some organisations the availability of flexible work policies does not necessarily result in widespread take-up by employees. This divide between the availability and utilisation of work life initiatives is often referred to as an "implementation gap".

An implementation gap may exist in organisations for a variety of reasons. These include issues of organisational culture, management support and employee perceptions - all of which can lead to a lack of acceptance of flexible work as part of normal work.

There is often a misconception that certain types of work cannot be performed in a flexible way. It may be difficult for management to fully support flexible work options due to a lack of time, or knowledge about how to manage such practices. A lack, or a perceived lack, of true organisational support may send a message to employees that utilising flexible work options will be detrimental to their career.

The three steps described in this section focus on overcoming the potential causes of an implementation gap - by better integrating flexible work arrangements into everyday work and organisational culture. The steps are not necessarily sequential. They can be implemented concurrently or in the order that best suits organisational needs.

**Step Five** is concerned with support and training for managers and supervisors.

**Step Six** emphasises the importance of employee communication to encourage a high take up of flexible work options.

**Step Seven** covers strategies for integrating flexible work into an organisation's standard employment practices.

### Understanding the implementation gap

In 2006 a research project was undertaken on the use of flexible work options within a State Government department. Despite senior management being committed to work life balance and a wide range of flexible working arrangements being available, the project found a poor take-up rate of part time work, home based work, and phased retirement options.

The study concluded that the major reason for this poor take-up rate was the various operational pressures faced by middle management. It recommended that middle managers required greater corporate support to successfully balance operational requirements and the needs of individual staff members.

## Step five - Support and educate managers and supervisors

Managers and supervisors play a key role in implementing a flexible work strategy. Individual managers are usually responsible for assessing requests for flexible work arrangements, and management attitudes is a driving force for workplace culture.

Step five focuses on strategies for providing managers and supervisors with the information and tools they need to effectively manage flexible work arrangements.

### Educate managers about the business imperative for flexible work

Managers and supervisors need to be active supporters of the organisation's flexible work strategy. Managers need to be aware of the business imperative for flexibility, including the role of flexible work arrangements as an attraction and retention tool for valuable employees.

Information on the business imperative for flexible is available on the Department of Commerce's work life balance website [www.worklife.wa.gov.au](http://www.worklife.wa.gov.au).

### Balance works for business

An evaluation<sup>1</sup> of the Victorian Government's Better Work and Family Balance Grants Program<sup>2</sup> found that over half of survey respondents reported the introduction and continuation of flexible work practices was fundamental to the ongoing operations and sustainability of their organisations.

Participants reported that the implementation of flexible practices contributed to the sustainability of their organisations by:

- providing market differentiation to attract staff;
- helping to retain staff;
- contributing to staff morale; and
- strengthening team building.

### Provide training for managers

Effectively managing employees on flexible work arrangements is a leadership skill, and it should not be assumed that all managers or supervisors are comfortable and competent with this task. Equipping managers and supervisors to assess requests for flexible work arrangements, implement change, and manage employees who are working flexibly is an essential part of fully implementing a flexible work strategy. Training management also sends a clear message to all employees that the organisation takes work life balance seriously.

Flexible work training for management could include information on how they can best manage their own work and lifestyle commitments, as well as supporting work life balance for employees. A key focus area should be the allocation of work and management of performance of employees who are not in the workplace for a standard working week.

<sup>1</sup> Schneider Australia Consulting (2006) *Evaluation of Partners at Work and Better Work and Family Balance Grants Programs*, 26 June, Industrial Relations Victoria, p34.

<sup>2</sup> A competitive grants program designed to assist business and other industry partners to adopt practices that improve work and family balance.

## Provide simple processes and procedures

The work to be undertaken by managers and supervisors in approving requests for flexible work options, and in supervising employees on flexible work arrangements, should be supported by simple and clear policies, procedures and documentation. Policies and procedures could be accompanied by how to guides, checklists and examples for managers to follow when dealing with a request for flexible working arrangements.

## Encourage managers to use flexible work options

Managers and other senior staff should be encouraged to improve their own work life balance and model flexible work options. This can send an important message to all employees that using flexible working arrangements is acceptable. When flexible work arrangements are used by managers, they are more likely to be requested by employees.

## Management sets a good example

One organisation has a senior management position being job shared by two long-term employees, a female employee who has a young child, and a male employee who is on a phased retirement arrangement.

Each works two set days per week, and they alternate each Friday, so that each works exactly half time hours. Handover is done through emails, providing updates on workload and key issues.

## Reward managers who actively encourage flexible work

Managers should be recognised and rewarded for encouraging flexible work and managing staff on flexible working arrangements. The nature of the reward will obviously differ depending on the organisation, but could include a bonus, a mention in the staff newsletter, or a congratulatory letter from the CEO when a specific milestone is reached.

## Step six – Communicate your flexible work strategy

Communication is a key tool in integrating flexible work into organisational culture. Step six outlines a range of communication strategies that can raise awareness of flexible work initiatives.

### Communicate regularly

Regular ongoing communication about flexible work is important to the success of any strategy. Employees should be regularly made aware that flexible work options are available, and that the organisation supports these options being used.

Some suggestions for regular communication:

- dedicate regular time to flexibility discussions at staff meetings;
- remind employees of flexible work policies in organisational circulars, emails or newsletters;
- find examples of employees who are working flexibly and publicise them as case studies;
- develop a flexible work section on your organisation's intranet or in the employee handbook; and
- include an information brochure on flexible work options in all employees' payslips once each year.

### Use flexible work as a recruitment tool

An organisation's perceived support for flexible work and the availability of flexible work options can be a major attraction for potential employees. Information on the options available should be included in any information made available to job applicants.

However, it is important to ensure that any claims made in job advertisements about flexibility are matched by reality, and that workplace culture actively promotes all employees using flexible work arrangements.

### Acknowledge key life events

Major events or changes in an employee's personal life often signal a need for a change in working arrangements. Organisations may want to encourage and support the use of flexible work arrangements by providing information tailored to major life events.

Employees who are pregnant, having a first grandchild, or having to care for an elderly parent may benefit from information on flexible initiatives specifically for their circumstances. Mature age workers may be interested in information sessions on phased retirement or part time work so they understand their options for remaining in the workforce.

## Communicate to new employees

All new employees should be made aware of the flexible work options available to them during the induction process. The organisation's flexible work strategy and information on specific work options should be included in employee handbooks and induction materials.

## Communicate by example

The best method of highlighting to employees that your organisation is serious about workplace flexibility is to communicate by example. Having role models for flexible work at all levels of the organisation is critical to the success of any flexible work strategy.

In an organisation serious about work life balance, both employees and managers should take advantage of flexible work arrangements and actively trying to maintain a balance between work and life, particularly in terms of reducing work hours.

## Celebrate flexible work arrangements

Organisations should celebrate successful flexible work arrangements. Case studies of teams with large numbers of part time employees, or of sections reaching significant milestones, such as all managers having undertaken work life training, should be promoted across the organisation and to external clients if appropriate.

## Communication encourages return to work

Providing a 'parental leave pack' to pregnant employees may encourage them to return to work sooner. The pack may contain information on:

- parental leave entitlements;
- return to work options; and
- the availability for support for breastfeeding responsibilities.

It will also send a clear message that the organisation values their skills and ongoing contribution to the workplace.

## Step seven - Make flexible work standard practice

The integration of flexible work options into all workplace arrangements is a key element in fully implementing a flexible work strategy. The facilitation of flexible work needs to become a standard part of all human resources policies and workplace practices.

Step seven suggests some strategies for integrating flexible work into your organisation's standard employment practices.

### Include a commitment to flexible work in job descriptions

Job descriptions or role statements can provide a framework for cultural expectations on employees as well as outlining specific job requirements. It may be appropriate to add support for flexible work arrangements into job descriptions of managers and supervisors within the organisation.

### Incorporate work life balance into performance management

There can be a significant link between work performance and the state of an employee's work life balance. Employees who are not able to balance work and lifestyle commitments may be suffering stress, and work performance may decrease.

An employee's working arrangements could be included as a standard topic for discussion at performance development and performance review sessions. This would provide all employees with a formal way to discuss current work arrangements and potential changes to improve flexibility.

It is also important to ensure that any system of performance management or workplace rewards focuses on rewarding outcomes rather than rewarding hours worked. Directly or indirectly rewarding long hours will send a strong message to employees that the organisation is not supportive of work life balance, and may financially disadvantage part time employees or other employees using flexible work arrangements.

### Advertise all jobs as available on a part time basis

The attraction and retention of skilled employees in your organisation may be hampered by a lack of jobs available on a part time basis. Advertising **all** jobs as being available on a part time or job share basis will highlight the organisation's genuine commitment to flexible work and widen the pool of potential employees.

### Keep your flexible work strategy up-to-date

A flexible work strategy should be a dynamic document and reviewed on a regular basis. Changes in workforce demographics or in the family situation of employees can also result in new or different flexible work initiatives being important for employees.

## Checklist for making work life balance work

### Part A – Develop a flexible work strategy

- Identify the work life needs of employees
- Assess what will work in your organisation
- Document your arrangements
- Establish processes to measure success

### Part B - Make flexible work 'normal' practice

- Educate managers about the business imperative for flexible work
- Provide training for managers
- Provide simple processes and procedures
- Encourage managers to use flexible work options
- Reward managers who actively encourage work life balance
- Communicate regularly
- Use flexible work as a recruitment tool
- Acknowledge key life events
- Celebrate flexible work arrangements
- Include a commitment to flexible work in job descriptions
- Incorporate work life balance into performance management
- Advertise all jobs as available on a part time basis
- Keep your flexible work strategy up-to-date