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When the Balance isn't easy: A case study exploring the complications with work-life balance initiatives in the Australian construction industry

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Abstract

Studies of work and life balance often concentrate on the ways in which employees may require and use flexible work practices to cope with the demands of their other 'non-work' activities and responsibilities. This paper adds to our knowledge in this arena through presenting a case study of work-life balance. This case study focuses on managerial and employee issues in implementing organisational work life balance initiatives within the construction industry in Australia. For this case study, the workplace was an 'alliance' project, of four collaborating companies undertaking a large infrastructure project. The project management group determined that work-life balance was an important issue within the industry and consequently implemented a five-day instead of the industry standard six-day working week as a balance initiative for the workforce.

A range of factors contributed to this five-day week initiative reverting to the original work schedule of a six-day working week. This paper explores these issues and analyses the competing priorities and demands of management in endeavouring to develop alternate strategies to maintain a positive work and life balance for employees. The analysis of this case suggests that management and employees were dedicated to improving work-life balance; however, a range of externalities resulted in not all initiatives being successful. Nevertheless, within the constrained choices, the management group instigated alternate initiatives.

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Introduction

Throughout recent years there has been a significant development of academic, media and political attention focussed on long working hours and the negative impacts on work-life balance (WLB). Flexible work practices have received research attention as contributing to improving WLB, however, the adjustment of working time arrangements to deliver better work options for employees has been difficult to achieve. Problems of job dissatisfaction, increased turnover intention, lack of general well-being, substance abuse and, psychological and psychiatric problems have been found to be caused by imbalances of work and non-work life (Allen, Herst Bruck and Sutton, 2000; Netemeyer, Boles and McMurrian, 1996). Long and unsocial working hours are two elements of working time arrangements that have the potential to impede attaining good work-life balance. Organisations that progress WLB initiatives, then, offer the potential to increase employee well-being and organisational productivity.

This paper extends the literature on WLB through presenting a case study of the planned introduction of an initiative to assist the workforce balance their work and non-work life within the construction industry in Australia. In this case study, the workplace was an 'alliance' project, which meant that four companies collaborated and were successful in winning the tender for a large infrastructure development project. With an industry 'standard' of a six-day working week, the management group acknowledged that WLB was problematic within the industry. As part of their

project management strategy the management group decided to implement a five-day working week as a balance initiative. Internally, many employees were sceptical but willing to experiment with the five-day system. However, a combination of internal and external forces meant the five-day working week was not sustainable. Despite the failures, the management group persevered and implemented other WLB initiatives for the workforce.

The outline of this paper is as follows. Firstly, we provide a brief review of WLB literature followed by a explanation of the data collection method. The third section of this paper explains the alliance project and explores the reasons why the five-day working week was not sustainable in this case. This section also details some alternative rostering arrangements that the management group implemented to compensate for the failure to maintain the five-day week. The fourth section of this paper analyses employee perceptions of their WLB at this worksite.

We argue that this case is valuable in determining the complex mix of influences that work against a wholesale or straightforward adoption of work-life balance practices. It is concluded that while the prevailing workplace culture is considered an important factor in the adoption of WLB initiatives, there are many issues that may also be very critical in working to secure the successful introduction of work-life balance initiatives.

Work-Life Balance and the Construction Industry

The construction industry has a demanding work environment, with longer than average working hours (Lingard and Francis, 2004). Most construction sites operate on a six day week basis, with salaried and waged staff often working very long hours. A survey of construction industry employees revealed that the average number of hours worked each week was 62.5 among site-based project staff (Lingard and Francis 2004). An important difference on such worksites is that waged staff are covered by enterprise agreements that provide for overtime penalty rates, while salaried staff do not receive hourly overtime payments.

Work-life balance is a popular and often used term, but one that is often not explicitly defined. This study considers work-life balance along the following three dimensions identified by Greenhaus, Collins and Schaw (2003):

- Time balance (the amount of time devoted to work and non-work activities);

- Satisfaction balance (the amount of satisfaction derived from work versus non-work activities);

- Involvement balance (the degree of psychological involvement in work versus non-work activities).

It is contended that a person needs balance across all three of these dimensions to have the best possible WLB. In this way, it is not just about the *amount* of time spent in work and non-work activities. This desired balance will vary between individual people – not everyone wants the same levels of work and non-work activities. That is why satisfaction and involvement in all activities is an important consideration. An

important part of this case is the waged employees' reliance upon overtime payments, with the obvious and direct trade-off being longer working hours in the working week.

Research indicates that the introduction of WLB initiatives alleviates the conflict employees experience between work and non-work activities (Warren and Johnson, 1995; VanRijswick, Bekker, Rutte and Croon 2004). Just as important as alleviating conflict is that the initiatives promote a better balance between employees' work and personal lives (Tausig and Fenwick 2001; Madsen 2003). WLB initiatives are also reported to: allow organisations' to promote themselves as an 'employer of choice' to attract employees (Casper and Buffardi, 2004); and encourage discretionary effort from employees (Konrad and Mangel, 2001). Further, Arthur (2003) reports a positive relationship between the announcement of organisational WLB balance initiatives and shareholder returns, indicating that investors view family-friendly firms more favourably.

Grover and Crooker (1995) found that employees in companies with organisational work-life balance benefits had higher levels of commitment to the organisation and expressed lower turnover intentions, regardless of whether the employee individually benefited from the policy. They argue that WLB benefits have a positive influence on employees' attachment to the organisation because they signify corporate concern for employees and their families. In a recent Australian study in the construction industry, Francis (2003) reports that, when civil engineers perceive their organisation's values to support WLB, the engineers have higher organisational commitment and job satisfaction and lower in turnover intention than when they perceive the organisation's values to be low in support for WLB. These results provide evidence

that WLB initiatives are linked to organisational performance in the Australian construction industry. They further provide support for the impetus managers felt to instigate an initiative such as the one in the case organisation. This paper will now shift focus to explain the data collection process used throughout this research.

Data collection was designed to examine employee responses to managerially initiated WLB proposals. The data that are discussed in this paper has been drawn from sixteen semi-structured interviews throughout August and September 2005. These interviews focused on developing an understanding of the employee and site management views about their WLB and the WLB initiatives at this worksite. This sample of interviewees was not a representative sample of the workplace. Employees were selected based on their role within the organisation. Ten of the sixteen interviews were with professional (salaried) staff members and the remainder of interviews were held with wage earning employees.

The case study site and the problems maintaining a 5-day working week.

The case study site project was an 'alliance' project to design and construct three water treatment plants. The core principle of project alliancing is the achievement of positive outcomes for all alliance members through shared commitment to common project goals (Halman and Braks 1999; Walker et al 2002). One defining feature of project alliancing is that participants are selected on the basis of their capability, approaches and systems as well as their commitment, chemistry and the likelihood of them delivering outstanding results (Hutchinson and Gallagher 2003).

Once a consortium of alliance participants has been selected, these participants (one of which is the project sponsor) collaboratively agree a target cost for the project, develop the design and establish arrangements for sharing the risks and rewards arising as a result of the project. A mechanism is then developed by which any cost savings are shared between the alliance participants. This approach is designed to encourage innovation and maximise collaboration between the alliance participants. Alliancing has become a popular delivery strategy in the Australian construction industry, particularly in the case of major public sector infrastructure projects.

It seems then, that an alliance project would be a good organisation to attempt an innovation such as the one in this case. However, the question becomes, if alliancing is such a successful means of project innovation, why did the five-day working week initiative revert back to a six-day week in this case? According to the project manager there were a number of reasons, all related to financial imperatives. However, these imperatives were not all related to project completion timelines. As previously mentioned, it is important to understand that there are two cohorts of employees on construction sites such as this one. Ostermann (1987, 1988) identified these groups as comprising two subsystems within a larger system of employment within a workplace. The first is the white collar, salaried sub-system and the second is industrial sub-system comprising blue collar workers. The first group, the salaried staff, includes the site manager, engineers and supervisory staff. Regardless of the hours these people work, they are paid a yearly salary. In comparison, the wages staff are the tradespeople and the unskilled labour. These employees are paid on an hourly rate covered in an enterprise bargaining agreement. Hence, by working more hours, these employees are paid penalty rates that substantially increase their pay packets, in some

cases by up to 60 per cent. Certainly, neither group is homogonous, but there are direct conflicting motivations for establishing working time arrangements that suit the WLB of both groups of employees. It is postulated that time balance, satisfaction balance and involvement balance will be more marked in the salaried subsystem as the time demands of long hours or unsocial work for salaried staff will not be translated into higher salary, but possibly better career or job prospects. For those blue collar workers in the industrial subsystem, other types of satisfaction balance may be more important due to the differential salary outcomes for working long hours. These waged employees may prefer fewer hours, but the motivation of longer hours and increased income is often important and influential in their decision-making process.

Work-life balance initiatives are not numerous or widespread in private firms in the construction industry. However, recently some projects have experimented with in the introduction of a compressed working week, where employees will work longer hours each day over a five day week, thus eliminating the need for Saturday work. In such arrangements it is normal to add an extra working hour each day from Monday to Friday to compensate the waged staff for lost income on Saturday.

Unfortunately on this project, the site was operating throughout winter, hence, daylight hours were fewer and employees were unable to compensate adequately during the week for lost Saturday hours. Consequently, many wage employees were dissatisfied with the five-day working week based purely on financial decisions. When another construction site opened in the area, the alliance lost approximately one third of their waged workforce. The perspective of some supervisory staff was that some who did not leave (and some of those recruited to compensate for losses) were

not 'quality' workers (Interview C1). Again, supervisors assert that the flow-on effect of fewer quality workers meant that the project fell behind scheduled targets (Interview L4). This led to the management group reverting back to the industry standard six-day working week.

The project management group reassessed their WLB initiatives. The management group always viewed themselves as providing 'flexibility' when employees requested short term leave for medical appointments, family commitments and the like. So while maintaining this approach, a roster system was implemented for the salaried staff. This solution meant that while (some) waged staff and project requirements demanded the return of a six-day working week, the salaried staff would not be required to attend every Saturday but one Saturday in four. It is important to note that the six-day working week was not compulsory for waged staff; however, with the financial incentive of six hours at time-and-a-half rates of pay, most waged employees elected to work Saturdays. As one of our interviewees states when asked why they work six days a week: 'basically, I'm just happy to get the money' (Interview 7).

When the management group decided that they could no longer sustain a five-day working week on this project, they had to balance a range of interests. Waged employees who were happy to work five days, more or less accepted that they were just reverting back to the industry standard working week. Those employees who were motivated by money rather than time were pleased with the change. However, the salaried staff would receive no WLB benefits and felt that there were distinct and measurable negative impacts from the shift back to the six-day week. We discuss the views of the staff and their WLB below.

Waged Employees

There are mixed responses from waged employees when it comes to the balance between their work and non-work life. However, all waged employees recognise that not working on Saturdays provides them with substantial benefits. These include mental and physical recovery and time to spend with their family or other non-work commitments. Most of the waged employees would prefer a compressed working week. That way, the employees could maintain a five-day working week and the benefits that are associated with it, but they can also maintain the wage levels due to overtime penalty rates. With these competing pressures, waged employees present a pragmatic approach to their work-life balance. Many just accept that they work in a 'six-day industry' and 'you have to take what you can get'. However, there is also an appreciation that in this particular worksite they have a range of beneficial flexibilities. For example, the waged staff are not required to work Saturdays if they don't want to. Waged employees state:

> I work five days. When I first started I said I would only work five days a week…I have worked in here quite a number of Saturdays but I don't work all day. I just come in and do what needs to be done and go home. (Interview 2)

> They don't ask me to come in Saturdays, because they know its hard (due to non-work commitments). I have come in a few Saturdays, if they come unstuck, or if they need me specifically for something, like I'll do it, other than that I won't do it. (Interview 9)

Furthermore, waged employees comment positively about the flexibility to arrange for short lengths of time away from work to deal with non-work commitments.

Salaried Employees

The salaried employees are affected more substantially by WLB initiatives in this workplace. Many salaried staff speak of the benefits that the five-day working week and flexible arrangements provided for them and their families. For example:

> (the five-day week)…gave my three kids a chance to do sport. My wife could only take two of them to sport, (so one child) always missed out…This job here is a lot better (than previous six-day jobs). (Interview L4)

And:

> …of course it's better to work five days a week, because you have more time at home with your wife and everything else, but as I say to you before if I have to take a day off to do something, I take it. (Interview L1)

> … if you wake up fresh on a Saturday, you go out and do stuff with the kids and all that. And then it's like you do all the stuff with the kids in the morning and then at the end of the day, they're buggered and you're buggered at the end of the day, but you spend more time with your family of course. (Interview 8)

When the worksite reverted to a six-day site, the salaried staff were provided with a roster to ensure that there was adequate site supervision, but also so that employees maintained some form of WLB. Comments relating to the role of the roster in promoting a balance include:

The Saturdays that you do get, you appreciate them, but you do feel a lot more refreshed coming Monday, that extra day makes a big difference. (Interview C1)

A salaried staff member who comes to work every second Saturday, states:

(the five-day week) ..it makes you feel better inside, because you are thinking "I've got the Saturday off" and you think "oh Great" and it makes you do your job better, you feel more comfortable, and you're happier doing what you're doing. Makes a difference. (Interview L4)

Employees within this worksite report that they work more than ten hours a day, sometimes more than 12 hours a day. This equates to a very long working week. Furthermore, when construction employment is based in different locations employees can be working ten minutes from home on one job and thousands of kilometres from home on the next job. Some employees suggest the worst jobs are those that are about an hour from home, because it's not worth staying away from home, but it means 12 or more additional hours a week driving to and from work. The cost of these long working arrangements and travel are immense for employees. Comments from salaried and waged employees include:

Most people are divorced…the little time I do have, is always spent with the wife and kids, I've got no other friends. (Interview L4)

(My wife)…brought up the kids…She raised the kids…and when I did come home, she felt like I was interfering with her arrangements. (Interview 3)

> …for blokes like me…really, your life just revolves around the people at work and there's not a lot of social (life). (Interview L4)

> When I first started I worked away from home for five years, and I ended up divorced. She'd started to find her interests and like I was just going to work…suddenly, I would come home and yeah, well it was going to be like when I left five years ago, but it wasn't the same. (Interview 6)

The social costs of this approach to working time arrangements are substantial, and organisations that make changes for the better should be applauded. However, many within this case study recognise that it is a change that will be made incrementally, and over a long period of time.

Discussion

Some within the construction industry have started to recognise that the benefits of improving work-life balance for employees will have positive outcomes directly back to them through being able to select and retain better employees, improved productivity, and greater overall well-being. The industry as a whole is a long way behind many other sectors in this regard, and so attempting interventions like the one in this case, is a great way to pull the industry forward at a much faster pace.

Many of the employees recognise a range of other benefits to the alliance from the effective promotion of WLB initiatives. Generally, it is suggested that there safety performance is better when employees have a two-day break on the weekends. In future case studies, it would be beneficial to compare measures of health and safety

factors. It is possible, for example that adequate rest and recover time will yield improved worker health and reductions in human error. Alternatively, extending the length of working days (i.e. in a compressed work week) needs to be carefully evaluated for its impact on workers' fatigue, judgement and propensity to make dangerous errors.

In addition, it is generally reported that overall productivity levels are higher when employees enjoy well balanced work and non-work lives. It is recognised that Saturday work often has a range of problems that affect productivity. For example, a shorter working day, fewer employees in attendance, and tired employees. In addition, Saturday work is attracting a premium wage through penalty rates. The problem is, therefore, at least maintaining the total level of worker output (and increasing overall levels of productivity) while maintaining the wage levels for the employees concerned.

Management in this worksite remained committed to encouraging a WLB for their employees, however, a range of structural, institutional and workplace factors affected the success of these WLB initiatives and limited their effectiveness. This case demonstrates how difficult it can be for organisations to manage initiatives which do allow a balance between people's work and non-work lives. However, what the case also demonstrates is how important it is to employees that the organisation at least tries to provide a situation which allows them some level of flexibility so that balancing their work and non-work demands is a little easier. There will always be some external constraints on what a particular organisation can implement, but as the managers in this case demonstrated, even in industries where it is believed to be very difficult to make many improvements; there are things which can be tried.

One model implemented by the Acton Peninsula Alliance Management Team during the construction of the National Museum of Australia involved the use of performance-based bonus payments. Under this model, benchmarks were established for project performance components. Performance was measured against these benchmarks by an independent panel before bonus payments were made. The traditional site allowance payment[1] was replaced with a sliding scale payment based upon productivity and proven performance. The project experienced few industrial relations problems and no days were lost due to industrial action (Walker et al. 2001). This was unusual for high profile construction projects sponsored by the Australian Federal Government. The scope for replacing time-based remuneration with performance-based remuneration to overcome concerns about alternative work schedules should be explored in future work-life balance case studies.

Conclusion

This paper has presented a work-life balance case study from the Australian construction industry. This paper demonstrates how difficult it can be for managers within organisations to manage initiatives which allow employees balance their work and non-work lives. However, what the case also demonstrates is how important it is to employees that their managers at least try to provide a situation which allows them some level of flexibility so that balancing their work and non-work demands is a little easier.

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[1] On many Australian construction sites the trade union has negotiated comprehensive project agreements that provide for the payment of an allowance over and above the normal hourly rate. This allowance increases as the project value increases.

This paper has presented a short review of WLB research. This was followed by a brief explanation of the data collection and an introduction to the case study. The differing views of the employees were presented showing that waged employees appreciated the notion of the five-day working week, but the financial benefits of working Saturdays made their decisions more difficult. The salaried staff were appreciative of the five-day week and indeed, having a five-day week then losing it helped the salaried staff appreciate their weekends when they were rostered off.

A range of factors affected the success of WLB initiatives and limited their effectiveness. Regardless, management in this worksite remained committed to encouraging a WLB for their employees. There will always be some external constraints on what a particular organisation can implement, but as the managers in this case demonstrated, even in industries where it is believed to be very difficult to make many improvements; there are things which can be tried.

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