

## CHAPTER 10

# Flexibility and work–life balance

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### INTRODUCTION

This chapter is about matching the personal needs of employees outside of work with the operational and commercial needs of employers in the workplace.

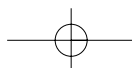
### LEARNING OUTCOMES

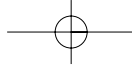
By the end of this chapter readers should be able to:

- explain what employers may mean when they refer to ‘flexibility’
- explain the growing significance of ‘work–life balance’ as a key source of employees’ need for flexibility
- identify where the apparently competing needs of employers and employees may be put together effectively
- recognise and challenge aspects of workplace culture that undermine flexible working arrangements
- understand that achieving mutual flexibility involves processes and not just policies.

The chapter is structured in four parts. The first part discusses the development of the term ‘flexibility’ in the field of HRM, comparing employer-oriented needs with those of workers. (The term ‘employee’ is not used here, specifically because one form of flexibility is the use of non-employment-based contracts.) The second part examines what employees want from flexibility; the third part focuses on work–life balance; and the final part looks at how these various issues can be integrated into HR best practice.

The starter case study highlights some uses of flexibility in a real-life organisational situation. The text then explains in more detail some of the different forms of flexibility that employers have sought to utilise, and examines one or two problems with some of these approaches. This is followed by a discussion of some more recent uses of the term ‘flexibility’, which appear to be more employee-led and strongly associated with the concept of work–life balance. The third part of the chapter then goes on to discuss the development





STARTER CASE STUDY

LonBoro is a London metropolitan borough council with a large and ethnically diverse workforce. In the period being described here, the Council had gone through a number of years of political turmoil resulting in some negative publicity. The political leadership was seeking radical restructuring of the organisation, moving away from a traditional bureaucratic model of management to one where much greater devolution was assigned to the services themselves. This strategy had a number of stages. First, services were turned into cost centres for which budget targets were delegated to service heads and managed accordingly. Service managers were therefore ‘empowered’ to make more decisions about staff issues than had been the case before. Combined with this there was a large reduction in the size of the workforce, together with a series of decisions to tender out, completely, a number of services to private contractors. Overall, this package of changes could be called a strategy based on *numerical flexibility* (which we explain later).

In the next stage of reform, LonBoro embarked upon an ambitious quality management project to enhance the reputation of its services. Service managers were encouraged to make innovations in working practices to realise this aim – a strategy that could be described as focusing on the *functional flexibility* of its staff (which we again explain later).

A further stage involved the decision to outsource all of what remained of in-house provided services, effectively transferring all the front-line staff over to private contractors bidding to run the services, leaving only

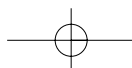
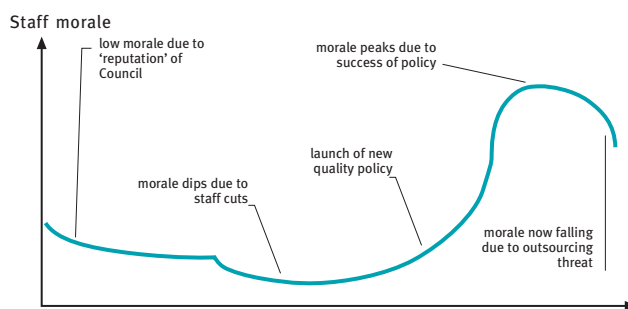
‘strategic’ commissioning units in the Council. In the end, however, much of this final stage was actually abandoned when LonBoro’s political leadership changed in subsequent local elections.

The effects of these various changes were mixed. The early round of severe job-cuts and outsourcing – through numerical flexibility – led to a steep downturn in staff morale. Later, however, the introduction of the quality policy – partly associated with functional flexibility – led to improved staff morale, albeit, in the light of the previous round of job cuts, described somewhat lugubriously by one manager who said that ‘morale among the survivors’ was good. This generally improved picture was further boosted by the enhanced reputation that LonBoro was receiving for the quality of its services – which further boosted morale. However, this virtuous circle was again broken by the further announcement of more outsourcing. Among other issues of concern, staff surveys were now reporting a perception of how this was all badly affecting LonBoro’s previous commitment to equality issues and it was also leading to direct confrontation with the union. Figure 18 shows the effects of these changes on morale, as described by a senior manager.

Questions for discussion

Basing your response on what has been described in this case study, what would you say were the likely advantages and disadvantages of *numerical flexibility* and *functional flexibility*?

Figure 18 Staff morale at LonBoro



of flexible working arrangements within a work–life balance framework, using case study examples to illustrate the reason for their development, their advantages and limitations. In this section we explore an approach to flexibility that is both employer- and employee-led. The chapter then concludes with the main case study, which describes the introduction of work–life balance policies and practices into an organisation.

Reference sources named within the chapter may be looked up in the *References and further reading* section at the end of the book.

## FLEXIBILITY FROM THE EMPLOYER'S PERSPECTIVE

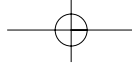
### WHAT IS FLEXIBILITY?

First we should explain some of the flexibility terms used and see how certain types of flexibility may be used in conjunction with others. One of the issues arising from the case study above is the definition of 'flexibility' being used. Quite clearly, there appear to be very different consequences involved in using *numerical flexibility*, then in pursuing *functional flexibility*. Another issue is the question of who is intended to benefit from any particular type of flexibility? The word itself implies a call to be 'reasonable', and it is very hard to see how anyone could object to being asked to be flexible. As Tailby (2003; p.490) has succinctly put it, when flexibility is

*applied to the world of work and employment, however, this obviously raises the issue of whose interests are at stake. Practices deemed to be rigid by management, for example, may be the source of stability and security for employees. Consequently, job protection rights and the employer's freedom to hire and fire may be a source of conflict between the parties.*

For this reason we need to be precise about *who* is being expected to be flexible and *in what way*. Blyton (1996) provides a useful starting point for us here. He has consolidated many of the definitions of flexibility into four basic types: numerical, functional, temporal and financial flexibility. Each of these is now explained.

*Numerical flexibility* (as the name implies) is concerned with management's ability to make rapid adjustments to the number – and also the composition – of its workforce. We could think of how this has been traditionally used in seasonal industries like tourism: running a holiday camp at the seaside requires the recruitment of large numbers of staff during the peak season in the summer, but only a very basic skeleton staff during the winter. Being numerically flexible allows such an organisation to make these rapid adjustments to seasonal market conditions. Crucially, though, this type of flexibility works in *this* industry partly because it meets the expectations of the workers in it.



## REFLECTIVE ACTIVITY

Referring back to the LonBoro case described in the Starter case study, in what circumstances and in what ways might the use of numerical flexibility be more problematic than is the situation at a seaside holiday camp?

*Functional flexibility* refers (again as the name implies) to the functions that employees carry out when employed. It implies a multi-skilled, multi-tasking worker keen to carry out a range of duties. It is functional flexibility that has been identified by numerous commentators to have been at the heart of Japanese industrial success from the 1970s onwards and is credited as being equally crucial to Japanese transplants such as Nissan and Toyota that came to Britain in the 1980s and 1990s (Oliver and Wilkinson, 1992). From an employee perspective, functional flexibility would seem to be a much better option than that of numerical flexibility – offering the possibility of getting skills that would be transferable to other employers. However, critics have pointed to a bleaker side to functional flexibility often referred to as ‘work intensification’ – whereby it is not so much responsibility and increased autonomy that are being improved, but rather ‘horizontal job loading’ by which more tasks are added into the working day. (See Chapter 11 on the importance of autonomy.)

A third type of flexibility is *temporal flexibility*. Yet again as the name suggests, this is to do with adjustments to time – the working day or the working year. Examples include the use of flexitime, annualised hours, or the use of termtime working. It also extends to some more long-standing practices such as the use of part-time work and even ‘overtime’ – although many of the innovations in temporal flexibility are designed to reduce the need for employers to resort to paying an overtime premium to cope with high peaks in demand.

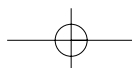


## REFLECTIVE ACTIVITY

One example of temporal flexibility that has been used by large retail organisations such as Sainsbury’s is that of ‘temporary vacation contracts’, designed so that students can work part-time and increase their hours when they are between terms.

*How do a) students, and b) retail employers benefit from this arrangement?*

The final form of flexibility defined by Blyton (1996) is that of *financial flexibility*. Financial flexibility describes practices relating to variations to standard methods of payment. A ‘standard’ method of payment could be assumed to mean payment



based on a flat rate for the job, based on hours worked. Flexibility, on this theme, might include performance-related pay – based upon some idea of management being able to adjust pay rates individually according to some method of assessing each individual's contribution (see Chapter 13). It may also involve the inclusion, within the pay package itself, of bonus schemes and employee share ownership schemes. Flexibility within the 'reward system' may also include a range of non-pay aspects such as variations in fringe benefits. More recently, innovations in 'flexible benefits' packages have involved organisations allowing employees to trade off various aspects of their benefits package to optimise to their own personal circumstances – trading in their company car allowance in favour of more generous holiday entitlement, for example.

### COMBINING TYPES OF FLEXIBILITY: THE IMPACT OF (DE)REGULATION AND THE FLEXIBLE FIRM

We have so far examined and categorised different types of flexibility separately. In practice, however, firms are likely to use versions of these approaches to flexibility in combination. In 1984, John Atkinson proposed a model for an integrated approach to flexibility in the model known as 'the flexible firm'. This now well-known model compared the traditional firm – employing sufficient numbers of permanent full-time employees to enable the firm to carry out all activities at any given time – with an emerging flexible firm in which the long-term commitment of the firm to such large numbers of people was seen as impossible. In the flexible firm the workforce is divided into two elements. The first element is a 'core' workforce of functionally flexible employees on secure permanent employment contracts, typically being highly trained, qualified and on high salaries. Outside this core, however, is the second element, a 'periphery workforce' – based on the principles described under numerical flexibility. This group would conduct a whole range of activities not perceived to be of strategic importance to the core activity of the business. In the Atkinson model, this periphery is further divided into different peripheral sub-groups comprising different types of employment with varying degrees of job security.

Although there are some important criticisms that can be made of the flexible firm model, it is helpful in describing what most large UK organisations, private and public now look like, compared to how they may have looked, say, 30 years ago. However, this situation did not take place purely through the persuasive strength of the model alone. Making labour markets this flexible required changes to the external environment. During the 1980s, Britain experienced a step-change in the way that government treated employment regulation – one that was significantly different from past approaches and one that was significantly at odds with the way such matters were dealt with in continental Europe. The Conservative governments of this period were committed to making the labour market more flexible, as the following quote from their election manifesto indicates (Conservative Party Manifesto, 1983):

*We shall go on reducing the barriers which discourage employers from recruiting more staff, even when they want to. And we shall help to make the job market more flexible and efficient so that more people can work part-time if they wish, and find work more easily.*

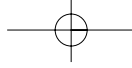


Table 24 shows some examples of regulatory and deregulatory changes made during the 1980s and early 1990s, and how they impacted upon employers' use of flexibility.

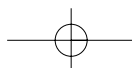
**Table 24 Changes to regulation and the impact on flexibility**

Regulatory change(s)	Impact on flexibility
Restriction of trade union powers	Reduced collective employee resistance to introducing functional flexibility
Abolition of Wage Councils	Allows lower rates of pay for new job categories created by numerical flexibility
Reduction in unfair dismissal protection for employees	The reduced risk for employers incentivises a growth in the use of fixed-term temporary employment
Opt-out of EU Social Chapter	The reduced cost, through reduced rights for part-time and temporary employees, allows growth in non-standard employment
Forcing of public services to tender out series of activities to private contractors	Transference of the logic of the flexible firm into the public sector

In fact, if we look at figures from the WERS data, the evidence is mixed. For example, although the outsourcing of various peripheral functions is common, there are differences between functions. For example, whereas 59% of organisations outsource building maintenance, still only 12% outsource catering services (Kersley, Alpin, Forth, Dix, Oxenbridge, Bryson and Bewley, 2006); and it is public sector organisations that are more likely to make use of fixed-term contract workers (61% of workplaces) rather than what we might assume to be the more ruthless cost-conscious private sector equivalents, where only 23% used these types of contracts (*ibid*; p.80).

## 2 FLEXIBILITY FROM THE EMPLOYEE'S PERSPECTIVE

The case for flexibility that has been made so far has all been based on the perceived benefits to employers. From this logic it is assumed that if the business benefits from reduced costs and enhanced efficiencies gained from such flexibilities, then the employees go on to benefit too, through the enhanced job security and job prospects that they receive from this. However, it could be argued on the other hand that if *all* organisations can gain maximum flexibility from their workforces, no *single* workforce will be able to gain this added job security, because any one organisation will only be as efficient as all the other organisations. It was for this reason that in the early part of the twentieth century employers were constrained by government regulation in their ability to compete on the terms and conditions of their employees; to prevent, as Winston Churchill is reputed to have stated at the time, 'the good employer being undercut by the



bad employer, and the bad employer being undercut by the worse employer'. The most recent example of this trait is probably the increasing concern being felt by those – in manufacturing and in services – unable to compete on cost terms with emerging economies such as China and India. For employees this is the 'race to the bottom' scenario: that in being so 'flexible' to the needs of employers, employees are now having their jobs outsourced, not to local sub-contractors with whom they might expect to obtain employment in the future but to remote locations thousands of miles away. The argument here is that such one-sided flexibility makes it increasingly difficult for employees to achieve personal financial stability to plan a normal family life outside of the workplace.

This brings us to the other side of flexibility – that of the increased employee demand for work–life balance. But before this, we should return to some more recent changes – and continuities – to the themes mentioned in the previous section.

It was noted that 'flexibility' was not just something that occurred as a result of 'best practice': it was positively encouraged by the government by various means. When the Conservatives left office in 1997, to be replaced by Labour, a shift occurred in relation to the attitude to regulation. It was not, however, a radical shift. The new government entered into office with a stated desire to improve basic employment rights and bring them more into line with European norms, but not in a way that undermined employers' basic desire for flexibility. The approach has therefore been to 'opt in' to the European Social Chapter, thereby bringing in regulations affecting equal rights, parental rights, working time issues and employee consultation rights. Some critics from employers' lobby groups have complained about the 'regulatory burden' involved in complying with such regulations, while other lobby groups representing employee rights issues have complained that the regulations that have been introduced have been significantly watered down when applied in Britain.

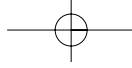
The effect of this has been mixed. Most observers agree that Britain still has the most flexible labour markets in Europe even though there are high costs to geographical mobility because of home ownership. It has the least employment protection and the longest working hours, for example. However, since the equalisation of rights for non-standard workers, the overall pattern of job growth in Britain has been in permanent full-time and part-time employment, with a decline in temporary employment. Table 25 shows the growth in temporary employment in the early 1990s compared with its decline in the late 1990s and 2000s.

**Table 25 UK employment growth, 1992–2002**

Employees	1992–1997		1997–2002	
	Change	%	Change	%
Full-time	+234,000	+1.4%	+1,165,000	+6.9%
Part-time	+641,000	+12.5%	+409,000	+7.1%
Permanent	+410,000	+2.0%	+1,787,000	+8.5%
Temporary	+465,000	+35.9%	–213,000	–12.1%

Source: TUC (derived from Labour Force Survey data)





So to some extent, the agenda of merely providing flexibility for employers at employees' expense has been kept under control. However, the area of 'employee-led' flexibility that has grown most in recent years is probably that related to what has been termed 'family-friendly policies' or 'work-life balance'. The case can be made that raising children makes a significant contribution to the economy as a whole (even if we think, very crudely, of the future generations that will have to be in work in order to pay for our own pensions in future years), and that this burden has fallen too much on women in the past, in terms of the loss in direct earnings and career development. Government figures estimate that the average difference in lifetime earnings between an unskilled man and an unskilled woman with no children is £197,000. This may in itself be unfair. However, if both are parents of two children, this gap increases to £482,000. Even for graduates, the lifetime pay gap between a father and mother is £161,000 (DTI, 2000). If women are not able to contribute to the labour market in line with their qualifications and experience, there are also implications for the national economy (DTI, 2001).

There has consequently been a change in government policies to address some of these issues. At the most basic level, maternity rights have been steadily improved since 1997, providing more paid maternity leave. This agenda has also, however, attempted to affect wider cultural assumptions about childcare responsibilities, providing extended rights to extended parental leave, the right to take time off work to deal with 'family emergencies', the introduction of paid paternity leave – introducing, for the first time, the rights of fathers in the workplace equation. Most recently, the government's 'family-friendly' agenda has introduced the right for parents of children up to the age of six to request flexible working, with a duty on employers to consider it (see Croucher and Kelliher, 2005, for more details). Figure 19 shows evidence from WERS 2004 that some of these initiatives seem to have had some effect on British workplaces – at least at the level of policies.

### 3 AN INTEGRATED APPROACH TO FLEXIBILITY

Having considered what flexibility might mean from an employer's and from an employee's perspective, we now go on to examine how these two different agendas can potentially be integrated.

#### WHAT IS WORK-LIFE BALANCE?

Work-life balance has been defined (Employers for work-life balance, [www.employersforwork-lifebalance.org.uk](http://www.employersforwork-lifebalance.org.uk)) as being

*about people having a measure of control over when, where and how they work. It is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business and society.*

However, the term 'work-life balance' is problematic. It has been criticised for a number of reasons (Fleetwood, forthcoming; Lewis *et al*, forthcoming). In particular it is argued that the concept (Lewis and Cooper, 2005):

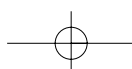
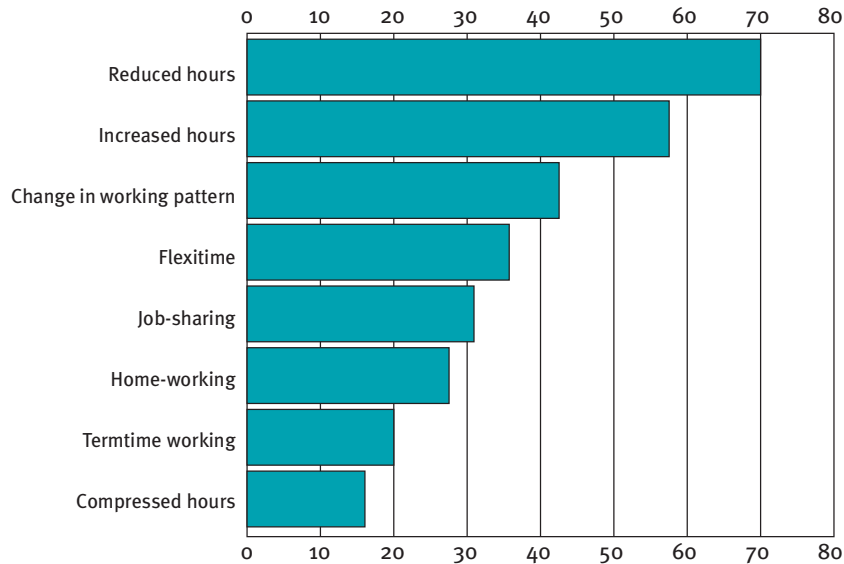




Figure 19 Percentage of workplaces with flexible working arrangements, 2004



Source: Kersley, Alpin, Forth, Dix, Oxenbridge, Bryson and Bewley (2006)

- implies that work and life are separate spheres, rather than that work is a part of life
- is often interpreted as viewing lack of ‘balance’ as an individual rather than a workplace issue
- assumes ‘balance’ is always good and imbalance bad
- neglects workers’ changing needs for different forms of ‘balance’ at different points in their lives
- as an approach tends to focus on policy rather than practice and culture change, which are necessary for policies to be effective.

Despite the ongoing discussion about the term, work–life balance has for many reasons – as explained below – become increasingly significant for organisations.

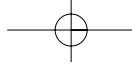


### REFLECTIVE ACTIVITY

Consider your own circumstances and those of others in your group.

*How much would your own home commitments affect the patterns of work you feel able to do?  
What differences emerge within your group?*

*What kind of work would not be suitable for some people’s home commitments, and what might organisations be able to do to make it more suitable?*



### WHY HAS 'WORK-LIFE BALANCE' BECOME INCREASINGLY SIGNIFICANT FOR WORKERS AND FOR HRM?

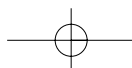
At first, demands for flexibility to 'balance' or integrate employment and personal life – especially family demands – came largely from women with children (see Chapter 6). Historically, the norm of full-time, continuous and inflexible working hours was made possible for men by women's role in the family, but as more women entered and stayed in the labour market, and employers recognised the need for women's labour and skills, this was challenged. From the 1980s employers began to respond with what were then termed 'family-friendly policies'. For example, Midland Bank – now part of HSBC – was one of the early leaders in this respect. Banks traditionally rely on a largely female workforce. When it was recognised in the 1980s that there was a high turnover of women after maternity leave because of childcare-related problems, policies were developed to help to meet business objectives as well as enhancing equal opportunities (see Chapter 11 on staff turnover). These included a range of flexible working arrangements such as job-sharing, family-related leaves and career breaks as well as the opening of workplace nurseries, all aiming to improve recruitment and retention of women. Outcomes included enhanced retention rates and flexible forms of work that enabled, for example, the development of 24-hour banking (Lewis, Watts and Camp, 1996).

A move from a focus on 'family-friendly' to 'work-life balance' policies occurred from the mid-1990s associated with a number of trends:

- Family-friendly policies usually focused on women. But as families and social norms shift, men – especially younger men – also want or need to be more involved in families or just to have a life outside work.
- With the trends towards long working hours and an intensification of work, more people feel the need for some 'balance' between their paid work and the rest of their lives.
- The government developed a work-life balance campaign, partly in response to EU pressure (as noted above).
- Britain still has fewer employment regulations and statutory supports (such as state-funded childcare) than many other European countries for reconciling employment and family life. This leaves considerable room for employers to develop a competitive edge by developing work-life balance policies.

### FLEXIBLE WORK ARRANGEMENTS

Development of flexible working arrangements is key to work-life balance strategies. Most of the flexible working arrangements developed under the work-life balance umbrella are a form of temporal flexibility. Some forms of flexible working arrangements, such as part-time work and some flexitime or shift systems, have a long history and were introduced as productivity or efficiency measures, although it is increasingly recognised that these strategies have implications for work-life 'balance'. Others are newer and are depicted as tools for reducing work-family conflict or enhancing work-life balance, but it is increasingly recognised that they are also beneficial to employers (Lewis, 2003). It



makes a difference whether these initiatives are seen primarily as productivity or work–life balance measures.

For example, a company in Japan developed a career break scheme for carers and also a flexitime scheme. The carers' scheme was open to men and women but only women used it. The flexitime was presented as a productivity measure and both men and women used it. In fact, there were business advantages to both.



### REFLECTIVE ACTIVITY

Write down your considered answers to the following questions.

- 1 What difficulties do you see with the implementation of flexible working arrangements within a work–life balance framework rather than as a productivity measure?
- 2 Where might resistance come from, and why?
- 3 What other barriers might there be to the effective implementation of such arrangements?

*These issues are examined in detail later in this chapter.*

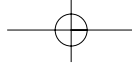
Table 26 shows the percentage of full-time and part-time employees who use formal flexible working arrangements. There are of course many others, particularly in smaller businesses or in professional and managerial roles, who have opportunities for informal flexibility of working times and place.

**Table 26 Percentage of employees with flexible working patterns, by sex, 2004**

	Males	Females	All employees
<i>Full-time employees</i>			
Flexible working hours	9.2	14.6	11.3
Annualised working hours	5.0	4.8	4.9
Four-and-a-half-day week	1.5	0.7	1.2
Termtime working	1.2	5.5	2.8
Nine-day fortnight	0.3	0.3	0.3
Any flexible working pattern	17.4	26.2	20.7
<i>Part-time employees</i>			
Flexible working hours	5.3	8.1	7.6
Annualised working hours	3.1	4.3	4.0
Termtime working	4.2	11.2	9.9
Job-sharing	1.0	2.7	2.4
Any flexible working pattern	15.0	27.0	24.7

*Note:* Some of the percentages in this table are based on totals which exclude people who did not state whether or not they had a flexible working arrangement; respondents could give more than one answer.

Source: Labour Force Survey, Office for National Statistics



There are of course variations across countries, as illustrated by the Cranet-E data (see Table 27).

Table 27 'Does your organisation use the following working arrangements?'

	UK	Sweden	Germany	Greece	Slovakia
Weekend work	65%	65%	77%	68%	60%
Shiftwork	61%	74%	74%	85%	67%
Overtime	92%	99%	56%	89%	87%
Annual hours contract	26%	46%	30%	10%	66%
Part-time work	97%	99%	98%	48%	12%
Job-sharing	55%	34%	41%	7%	60%
Flexitime	48%	94%	90%	43%	60%
Temporary/casual	86%	94%	65%	51%	54%
Fixed-term contracts	75%	97%	97%	79%	7%
Home-based work	32%	34%	13%	7%	16%
Teleworking	20%	44%	43%	9%	45%
Compressed working week	29%	20%	26%	2%	0%

Source: Cranet-E (2003)

#### 4 THE ROLE OF HR PROFESSIONALS IN WORK–LIFE BALANCE

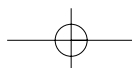
The role of HR professionals in work–life balance is not limited to the development of policies. It includes assessing the needs of workers and the business and finding the best way of meeting both agendas. This is important for convincing senior and line management of the need for flexible working arrangements. HR professionals also have an important role to play in monitoring the effectiveness of work–life balance policies, including implementation and take-up rates, and for developing strategies for overcoming resistance to change among managers and others, and barriers to success.



#### REFLECTIVE ACTIVITY

*How would you convince management that work–life balance policies are important for organisational effectiveness?*

Below are listed some of the business benefits that have been proved to follow from policies that are well implemented:



- compliance with regulations, and using this to positive advantage – for example, treating the parents’ right to request flexible working as a challenge and opportunity to innovate rather than as a threat
- better recruitment and retention
- becoming an employer of choice by keeping up with and possibly even exceeding the flexible options offered by other employers in the same sector, especially where there are skills shortages
- reduction in stress associated with conflicting demands at work and beyond (see Chapter 22)
- reduced absenteeism (flexible working arrangements for example enable workers to make up time lost through family or other issues)
- raised morale – workers are more engaged if they feel that their needs are recognised and if they have more autonomy and control over their time
- good public relations
- attracting ethical investors who are increasingly asking about equal opportunities and related policies
- achieving mutual flexibility (give and take between workers and their manager) which makes for additional forms of flexibility, as noted below.

For example, in a small printing business (see Lewis and Cooper, 2005) workers were encouraged to learn multiple skills so that colleagues could cover for each other on a reciprocal basis if they took time off for any reason. Workers collaborated in finding flexible solutions that they saw as fair and which also sustained production.

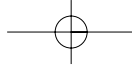


#### REFLECTIVE ACTIVITY

Can you think of further scenarios in which the sort of flexibility associated with work–life balance enhances other forms of flexibility, or vice versa?

#### BARRIERS AND RESISTANCE TO THE EFFECTIVE IMPLEMENTATION OF FLEXIBLE WORKING ARRANGEMENTS

Evidence indicates that work–life policies can be successful up to a point, but much depends on how they are implemented and managed (Lewis and Cooper, 2005). They can, for example, improve recruitment but they do not necessarily maximise the use of women’s (or in some cases, men’s) skills. This is because flexible working policies are necessary – but not sufficient – to make the changes needed to enable all workers to develop their full potential at work and at home. Flexible working arrangements without culture change have limited impact. This is illustrated by the case of ‘Proffco’, a large multinational professional services firm.



Proffco has developed an impressive raft of work–life policies. They include not only family-related initiatives such as time off to care for dependants (recognising that staff have elder-care and other care commitments and not just childcare-related issues) but also initiatives relating to other work–personal life commitments and aspirations. For example, a nine-day fortnight is used by some members of staff to participate in sport or other activities. The policies have increased the rate of return from maternity leave and improved scores on a staff satisfaction questionnaire. However, long working hours and inflexible work remains the norm, and those members of staff – mostly women – who do take up flexible working practices are often thought to be less committed than other employees. Consequently, most men and many women say they do not make use of flexible working arrangements because they know it would be career-limiting. Assumptions about ideal workers are deeply embedded in the culture. A woman who worked full-time, but flexibly, explained:

*I am the first at work every day. Also, I usually work through lunch. The fact that I leave work on time quite often (even though I might have a caseful of work at peak periods) means that I get comments like ‘I know that it’s difficult for you to put in the hours, with the children.’*

Those who do work flexibly believe that they are equally effective with – and in many cases, more effective than – their colleagues. Most of their managers agree with this. Yet despite the impressive policies and the success of flexible working arrangements in some departments, the organisational culture is very slow to change. People who are considered for promotion – often referred to as ‘strong players’ or those who ‘are willing to go the extra mile’ – are not those who use flexible working arrangements. Selection for promotion is thus made from a limited pool. Hence, the effectiveness of policies in helping all staff to work most effectively and to enhance career development is undermined. Turnover has been reduced but is still high because many employees leave to go to smaller, more flexible firms or to become self-employed.



### REFLECTIVE ACTIVITY

HR professionals in many organisations will recognise the problems faced at Proffco.

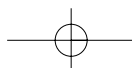
*Do you have any ideas about how to challenge workplace cultures in which ideal workers are still assumed to be those who do not need flexibility of working arrangements?*

One possible approach is explored in the next section of text.

### EMPLOYER- AND EMPLOYEE-LED: MUTUAL FLEXIBILITY

The previous sections showed how flexible working arrangements that focus on employee demands or needs are implemented for business reasons. This can be a win/win solution for employers and workers, but the effectiveness of these policies is limited if they are implemented without culture change. For example, the opportunities for reduced hours or flexible work have limited success if only full-time non-flexible workers are valued.

A further approach to flexibility is based on a dual agenda. That is, changes are implemented to meet the needs of both employer and employees, with both given



equal weight. Initiatives based on the needs only of employers or only of employees are less effective (Rapoport, Bailyn, Fletcher and Pruitt, 2002). This approach stresses the importance of going beyond policy development to start a process which first challenges assumptions that sustain ineffective practices and then draws on collaboration to develop more appropriate and effective norms and practices. This is illustrated in the case of a customer administration centre described below.

At the Customer Administration Centre, where the workforce comprised largely women, many with family commitments, there were high levels of unexpected absence, resulting in problems of lack of cover. There was also high staff turnover. Management was attempting to shift the structure towards more empowered self-managed teams so that staff could manage their own absences ensuring cover at all times, but it was not working smoothly. Collaborative interviews with members of the team, including managers, revealed that employees were not trusted to manage their own time flexibly and sustain productivity. A culture of control by management was undermining the goal of empowerment. Although there was a range of flexible work policies available, managers were reluctant to allow employees to use them because they feared that it would 'open the floodgates' and undermine productivity. Consequently, employees had to make their own arrangements to try to juggle work and family commitments. Often these arrangements broke down, so they would have to call in sick or use holiday time, creating absence problems.

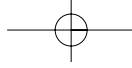
Bringing these assumptions, which were embedded in the culture and not just individual manager perspectives, to the surface enabled managers to reflect on their reluctance to give up control because of short-term productivity concerns. They came to understand why they were experiencing so much difficulty moving towards empowered teams. In response to this, the managers and employees worked together to design an experiment in which flexible working policies were made available to all, regardless of family situation or management discretion. There was, of course, some resistance and it was important to engage with this, again exploring the assumptions underpinning the culture of control. The experiment was implemented and ultimately there was a move away from individual accommodation to meet the needs of specific employees, towards a situation where flexibility became ingrained in the culture. The outcome was that teams came up with collective approaches to flexibility to meet productivity and personal needs. This resulted in a 30% decrease in absenteeism. In addition, customer responsiveness increased as times of coverage were extended. Employee satisfaction also improved. It became possible to move to more self-managed teams which gradually took on more responsibility and participated in decisions about work schedules.

(See Rapoport *et al*, 2002, and Lewis and Cooper, 2005, for more details of this approach.)

The principles of this approach, illustrated in the case above, include:

- starting by looking at a key business need (in this case the need to reduce absenteeism and turnover by empowering self-managed teams)
- working together to develop mutual understandings of working practices, underlying assumptions and their impact on the dual agenda (employees' work–life needs and workplace effectiveness)





- keeping the dual agenda in focus at all times – dropping either perspective prevents positive outcomes
- working together to come up with innovative solutions
- experimenting with new ways of working
- engaging with resistance throughout.

The next stage is to evaluate interventions and communicate outcomes in order to diffuse learning within the organisation.



### REFLECTIVE ACTIVITY

Think of a specific workplace situation where flexible working arrangements are not working, and consider how you might apply the dual agenda approach.

*What difficulties might you face?*

*What strategies could you, as an HR professional, develop to overcome them?*



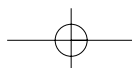
### KEY ISSUES IN FLEXIBILITY AND WORK-LIFE BALANCE

We now pull together ten key points about flexibility raised in this chapter:

- Flexibility became a popular concept in HRM from the 1990s.
- It is important to see that different types of flexibility result in different outcomes for employers and employees. It is important to understand *who* is being flexible and *in what way*.
- The initial emphasis in the popularity of flexibility was concerned with advantages for employers, rather than for employees.
- The types of flexibility being used by employers are related to government regulations. In the 1980s the emphasis was on numerical flexibility; from 1997 there has been a greater emphasis on work-life balance.
- Work-life balance policies are not just employee-led. They are usually introduced for business reasons.
- Solutions that meet the dual needs of employers and employees can be very effective.
- Work-life balance policies are just a first step. Good implementation and manager support are essential.
- Flexible working arrangements without culture change have limited impact.
- It is important to question assumptions that undermine mutual flexibility.
- Mutual flexibility is best developed through collaboration rather than top-down.

*Perhaps there are other key points that you would like to note for yourself.*

The main case study in this chapter now follows. It gives an example of how it is possible to advance from work-life policies to culture change. It also highlights some of the pitfalls and barriers to success.





*Look at the description of the case set out below. Then decide on the recommendations that you would make as an HR manager for dealing with the issues raised. Try to think beyond the level of a 'quick fix' or simple solutions and to be wary of assumptions that undermine opportunities for mutual flexibility.*

### MAIN CASE STUDY

The company, which we are calling Peak, is a large insurance company that has undergone mergers, takeovers and restructuring in recent years. There is now a drive for flexibility: numerical (mostly through the use of agency workers but also some staff on temporary contracts), functional (via multi-skilling), and temporal (via flexible working policies) as well as culture change (primarily through management training and development).

Downsizing and reorganisation have brought increasing job insecurity and intensification of work for those who survived redundancies. The most recent merger/takeover was followed by a strategic drive to develop a distinctive culture for the new merged company, including a decision to develop policy, practice and culture change to increase flexibility of working hours. The goal was to move to a more people-focused culture, based on trust, mutual flexibility, autonomy and self-management at all levels, non-hierarchical, non-status-based relationships and collaboration and mutual responsibility between managers and employees. Traditional ways of working were challenged and there was wide talk of the value of two-way flexibility. In the new culture, ideal employees would be regarded as those who were flexible, adaptable and self-motivated.

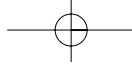
A number of flexible working arrangements thus came into existence at Peak involving some major shifts in policy following the merger. In particular, there were changes to the existing flexitime system, which involved a shift from formal clocking-in to an informal trust-based flexitime system. This was viewed by management as consistent with the drive for culture change towards greater flexibility and autonomy. It was also justified in terms of financial savings, in that workers had previously been able to clock in 10 minutes early each day and build up days off, which was regarded as no longer beneficial to the

organisation. An on-site crèche at the main premises was also replaced with childcare vouchers throughout the company.

There was an implicit dual agenda of pursuing business needs by meeting staff flexibility needs. However, policy change solutions were not always reached collaboratively. Rather, decisions were often made at management level and communicated in a top-down way. Because of this, some workers did not understand the reasons for the new policies and resented them. For example, the change in flexitime system and loss of the crèche created major problems for some employees, making it more difficult for them to manage their work and private lives, and this was then associated with higher levels of absenteeism and turnover.

Similarly, some line managers had not accepted the rationales for the new policies even though managers underwent training and development to spread the new management values and style. Consequently, management support for mutual flexibility was patchy. Employees with 'new-style' supportive managers were very satisfied with the enhanced level of trust, autonomy and flexibility. However, the new values and discourses of empowerment raised expectations of support, so employees who worked under 'old-style' non-supportive managers were particularly resentful. Nor was the lack of change restricted to line managers. Some HR managers were very slow to take on and live by the new values.

The drive for a shift in culture, and the changes in structures and practices that this was intended to bring about, incorporated a deliberate questioning of deeply-held assumptions that ideal workers were those who worked full-time and inflexibly. Although the effectiveness of flexible working arrangements was increasingly apparent, one assumption remained stubbornly intact. This



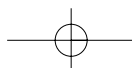
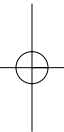
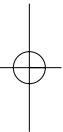
was the belief that managers and supervisors must work full-time and long hours (although flexible working hours made it impossible for single managers to cover all the working hours of their subordinates). Many managers returning from maternity leave requested reduced working hours or other flexible working arrangements, and this was granted – but they were moved to non-managerial posts. Consequently, many managers and supervisors left the company after maternity leave. The failure to question assumptions about the nature of jobs involving people management, and the lack of trust implied in these assumptions, despite the high-profile drive for a trust-based culture shift, prevented Peak management from treating these requests as opportunities for learning and innovating

So the current position is that on the positive side there is an understanding of the need to go beyond policy to changes in culture, structures and practice, and this is used strategically at Peak as a way of pursuing business aims in a rapidly changing and

competitive environment. There is a concerted effort to train and develop managers as agents of change and to work towards putting espoused values into practice. These strategies have achieved some success, both in terms of workplace effectiveness and of satisfying the personal needs of some employees, but with some gaps and limitations. There has been some listening to employees' needs, but this falls far short of a collaborative approach. Above all, however, there has been limited questioning of assumptions about ideal workers, especially at more senior levels. At this point in time the longer-term impacts of the changing practices have not been monitored in terms of the dual agenda.

#### Your task

Imagine you are an HR professional working in Peak. Prepare a short report based on the information you have been given above, making recommendations to your colleagues about how the situation can be improved.





## EXPLORE FURTHER

DTI (2001) *Work–life Balance: The business case*. London, the Department of Trade and Industry

This report sets out the business case for introducing work–life balance initiatives in organisations.

LEWIS, S. and COOPER, C. (2005) *Work-life Integration: Case studies of organisational change*. London, John Wiley & Sons

A book of case studies using a work–life integration approach to bring about organisational change and flexibility. This provides a range of practical examples and has learning points at the end of each chapter.

RAPOPORT, R., BAILYN, L., FLETCHER, J. and PRUITT, B. (2002) *Beyond Work–family Balance: Advancing gender equity and workplace performance*. London, Jossey-Bass/John Wiley

A very detailed but readable account of an action research model of organisational change using a work–life balance lens.

STREDWICK, J. and ELLIS, S. (2005) *Flexible Working Practices*. London, CIPD  
Using case studies from leading organisations and many practical tools, the authors show how to develop and implement effective and flexible working policies.

WOOD, G., HARCOURT, M. and ROPER, I. (2006) 'The limits of numerical flexibility. Continuity and change'. In G. Wood and P. James (eds) *Institutions, Production and Working Life*. Oxford, Oxford University Press

This article provides a comparative look at the use of numerical flexibility across Europe, highlighting its incompatibility with other forms of flexibility.

