

## **Work-Life Balance, Workplace Culture: the Lessons of Equality and Diversity**

I am delighted to have the opportunity to speak at the Crisis Pregnancy Agency and Centre for Gender and Women's Studies' seminar today on the workplace of the future: reconciling pregnancy, parenting and employment. The Equality Authority has worked actively to promote work-life balance within enterprises. We sit on the National Framework Committee for Work-life Balance. In that capacity, we work with the Department of Enterprise, Trade and Employment, other key Departments and the social partners to organise national work-life balance day on 1 March each year and to run national awareness-raising campaigns on the positive benefits for society and the workplace of work-life balance.

I expect that there will be a broad consensus among the speakers here today as to the importance of work-life balance. There is a national as well as EU imperative to promote work-life balance. Many of you may be aware that, at EU level, the European Council of Heads of State and Government set a target in March 2000 under the Lisbon Agenda to achieve a female labour force participation rate of 60% by 2010.

The debate at EU level has been echoed in policy formulation in Ireland since 2000. The National Economic and Social Forum, for instance, produced a report in November 2000 on Alleviating Labour Shortages, which highlighted the need to encourage women to remain in or return to paid employment. Similarly, the latest report of the Expert Group on Future Skills Needs, published last month, has pointed to the anticipated skills shortages in the Irish economy by 2020. Its report, the National Skills Strategy Research Report, has said that addressing gender imbalances in employment could contribute considerably to the alleviation of the projected skills shortages in Ireland.

It can be expected that greater labour force participation by women and older workers will make work-life balance options much more pressing in the Irish economy over the next years as many more workers than ever before will have caring responsibilities, both for children and for older people. Much has already been done to promote and implement work-life balance arrangements in workplaces throughout

Ireland. The public sector has introduced a range of work-life balance arrangements for its employees. Flexible working conditions have essentially become standard in many sectors which rely largely on female workers, such as the hospitality sector.

However, the progress that has been made on promoting and implementing work-life balance arrangements disguises a key gender issue. Work-life balance is seen primarily as a female concern. Even in the civil service where work-life balance arrangements are an accepted part of the workplace culture, particularly for staff in lower grades, women constitute the overwhelming majority of those availing of such arrangements. The Department of Finance's latest report on equality in the civil service, the *Civil Service Equality Initiatives Report 2006*, highlights the continuing gender imbalance in terms of uptake of work-life balance arrangements. If we consider just one work-life balance option, that of work-sharing, 5,246 women and 337 men were availing of work-sharing arrangements in the civil service as of 30 June 2005. The number of men availing of such arrangements represented only 6% of the total. The poor male uptake of work-life balance arrangements is not just an Irish phenomenon. Even in Sweden, where a portion of parental leave is foregone if not taken by the father, women outnumber men significantly in the uptake of work-life balance arrangements.

The gender imbalance in uptake of work-life balance arrangements in an Irish context can essentially be attributed to 3 factors. Firstly, most work-life balance arrangements involve a financial penalty for the worker availing of the option. Parental leave, for instance, remains unpaid while work-sharing or part-time working involves a loss of income for the person availing of it. As women are often the lower earners in a couple, there is a strong financial incentive for the couple to decide that the man should continue to work full-time so that the potential loss of income to the couple will be minimised. Secondly, there is an assumption still in Irish society that women are natural carers and that they should undertake caring work for children and older people. It remains unusual for men to undertake full-time caring roles for their children, although there is a more equal gender sharing of caring responsibilities for older people. Thirdly, and this is the factor on which I wish to focus today, the broader workplace culture remains resistant to work-life balance.

The culture of the workplace is pivotal in determining the worker's attitudes to work-life balance. I have stated earlier that much has been done in terms of promoting work-life balance. Many workplaces in the public and private sectors offer work-life balance possibilities. However, at the same time, the cult of the long hours culture persists within the Irish workplace. Data gathered by the Work Foundation in 2000 across 15 EU Member States indicated that Irish workers were working the longest hours in the EU, with over 6% of Irish men and 4% of Irish women working over 60 hours a week. How can these two apparently conflicting patterns co-exist? It is because, in general, work-life balance options are taken up by staff in lower grade positions rather than by managers. Furthermore, those sectors in which flexible working options are routine tend also to be sectors in which low-paid work is commonplace and in which female workers predominate. The long hours culture is prevalent among managers in Ireland, for instance, with senior managers being particularly likely to work longer than their standard hours. Eileen Drew led a research project for the National Framework Committee for Work-life Balance, published in 2003, which found that 88% of the senior managers or professionals surveyed across 788 companies were working longer than their standard hours. 61% of junior managers and junior professional or technical grades in 560 companies were working longer than their standard hours. Peter Humphreys found a similar pattern in the civil service, with female civil servants often deciding against going for promotion because they perceived senior positions to require a willingness to work long hours.

The long hours culture prevailing in management grades within Irish workplaces represents an obstacle to career progression for women with caring responsibilities in two ways. Firstly, mothers may not put themselves forward for promotion if they consider themselves unable to work the longer hours required of managers within their workplaces. Secondly, senior management may give preference in promotions to those whom they consider most ready to work longer hours, thereby eliminating many women with caring responsibilities.

Workplace culture can have a negative impact on women experiencing crisis pregnancies, on women's possibilities of remaining in paid employment and on their potential to progress in their careers. In addition, it is likely that men will feel inhibited from availing of work-life balance arrangements if the workplace culture is

one in which presenteeism is valued. So can anything be done to challenge the long hours workplace culture and to promote work-life balance possibilities for men as well as women? There is a need to do more to highlight to employers the business case for developing workplace cultures supportive of work-life balance.

The Equality Authority and the National Centre for Partnership and Performance published a report this year by Kathy Monks on the *Business Impact of Equality and Diversity*. The report found a series of international models of good practice which confirmed the argument that equality is good for business as well as for society. You will not be surprised to hear that the report found a positive relationship between the adoption by organisations of equality policies and positive employee outcomes including increased commitment, job satisfaction, life satisfaction and reduced stress. Companies that had integrated equality into their policies experienced positive employee performance outcomes with reductions in absenteeism, labour turnover, improved employee relations and greater innovation and creativity among employees. However, you may be surprised to learn that the report also found that, at a strategic level, there was a positive linkage between the existence of equality policies and enhanced organisational performance. Similarly, there was a link between diversity in top team membership, including higher representation of women on management teams, and enhanced organisational performance. Equally work groups with a diversity of members were found to be a source of creativity and innovation.

Investment in equality and diversity initiatives led to improved organisational performance in four inter-related areas:

- Human capital benefits such as the ability to resolve labour shortages and to recruit and retain high calibre staff;
- Increased market opportunities with access to more diverse markets;
- Enhancement of organisational reputation to suppliers, customers and prospective and existing employees;

- Changes to organisational culture such as improved working relations and reductions in litigation.

It is reasonable to infer that the positive organisational outcomes stemming from a focus on equality and diversity could also be applied to companies willing to become market leaders in implementing work-life balance arrangements and changing their organisational culture to make it more receptive to employees wishing to reconcile work and parenting. The next question is – which factors enable an organisational culture to be transformed successfully?

Our research on the business impact of equality and diversity found that the following factors were critical in getting an organisation to embed equality and diversity into its way of working:

- Top management support and committed high profile leaders who will demonstrate the importance of equality and diversity. This factor is also critical for effective work-life balance arrangements as our research found that line managers, if unsupported, tended to be resistant to initiatives enabling their staff to avail of flexible working arrangements as they perceived them as an extra burden on themselves as managers;
- Secondly, the incorporation of equality and diversity into the organisation's vision, values and business objectives;
- Thirdly, ownership for equality and diversity has to be spread throughout the organisation rather than added to the portfolio of the HR department, and employees need to be involved in the design and implementation of equality and diversity strategies;
- Training is essential in securing broad support within the organisation, developing understanding and building organisational competency in terms of equality and diversity.

Based on this research, we would argue that the key elements for changing organisational culture so as to integrate work-life balance more effectively in the workplace culture and thereby support parents in reconciling work and family life are as follows:

- Commitment by top-level management to work-life balance;
- Organisational commitment to work-life balance reflected in the organisation's mission and business plans;
- Responsibility for work-life balance embedded throughout the organisation;
- Training for staff at all levels on work-life balance.

What role does the Equality Authority have in terms of promoting work-life balance and changing organisational culture in Ireland? As I said at the beginning of my presentation, the Equality Authority sits on the National Framework Committee for Work-life Balance. The Equality Authority has developed guidance for workplaces on integrating work-life balance into their policies and practices. This guidance has been distributed to workplaces nationwide as part of the public awareness campaigns for work-life balance. This year, the Equality Authority, with the support of the Department of Enterprise, Trade and Employment, is taking on the additional task of running a new work-life balance programme for workplaces. Under this programme, a company will receive up to 5 days' consultancy support from a consultant drawn from a specially selected panel of consultants with extensive expertise on work-life balance. The consultant will advise the company on developing and implementing work-life balance policies. The support offered will be focused on establishing an organisational infrastructure supportive of work-life balance, identifying the training needed by managers and employees and encouraging employers to facilitate participation by employees in devising work-life balance arrangements suitable to the needs both of the company and of the employee. The programme will be funded in full by the National Framework Committee for Work-life Balance. The panel of consultants has now been selected and we aim to have the programme fully operational by next month.

The Equality Authority's experience in running support programmes for companies on integrating equality and diversity into their policies, procedures and practices, has demonstrated a clear interest in the business sector in developing expertise on good practice in relation to diversity and equality. There is a clear business case for equality and diversity. On the other hand, the workplace challenges persist for women who wish to reconcile work and family life. Gender remains, for instance, the second largest area of casefiles for the Equality Authority under the Employment Equality Acts, 1998 to 2007. In that context, pregnancy-related discrimination remains a serious problem. This highlights, at its most stark, the continuing difficulties for mothers in the workplace.

The sharing of caring between men and women is crucial for the achievement of gender equality for women. The Equality Authority is pleased, in that context, to have funded a project being undertaken by the National Women's Council of Ireland on the sharing of caring between men and women. This project has been supported by the Burning Issues Funding Programme under the European Year of Equal Opportunities for All for which the Equality Authority is the National Implementing Body. Societal change is of course necessary for greater sharing of caring to occur. However, organisational change and change in workplace culture can also play a part in convincing men to take a greater share of caring responsibilities and to take up work-life balance possibilities. The challenge for us now is to bring the business case for work-life balance more effectively to companies throughout Ireland and to make commonplace a workplace culture that accepts parenting as the right of all employees and that enables all employees to reconcile work and parenting.