

Research on Family-friendly Employment Policies and Practices (FEPPs) in Hong Kong

*Commissioned by the Equal Opportunities Commission
and the Women's Commission*

EXECUTIVE SUMMARY

Siu Oi-ling, Ph.D

Professor

Department of Politics and Sociology

Lingnan University

David R. Phillips, Ph.D

Academic Dean of Humanities and Social Sciences &

Chair Professor of Social Policy

Department of Politics and Sociology

Lingnan University

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Background

In Hong Kong, as in many western societies, there have in recent times been shifts in work and family structures. These include smaller family sizes, increased participation of women (with children) in the work force, longer working hours, more dual-career/income families, expanded responsibilities for care for children, and increasing demands for care for the elderly. Together, these shifts have tended to weaken the cohesion of the family as an institution.

Additionally, and perhaps more significantly, new and rapidly developing technologies are placing increasing demands on many employees. For instance, some employers are now willing and able to reach employees 24 hours a day, seven days a week. “24/7” access of this kind poses a threat in terms of distracting employees from attention to family matters, and it can be expected that the more time a person spends on the job, the more conflict there is likely to be between work and family. Many studies have demonstrated that work-family imbalance can result in adverse health, dissatisfaction, and poorer performance for individuals, families and organizations. In general, women employees reported poorer physical and mental well-being due to work-family imbalance.

All these underlines the value of and need for the various available “Family-friendly Employment Policies and Practices” (FEPPs). Many companies in western countries such as Sweden, Canada, Australia, the United Kingdom (UK) and the United States (US) have moved quickly towards family-friendly practices such as Flexible Work Arrangements (FWAs), leave benefits, and Employees Assistance Programmes (EAP). In view of this, in January 2006 the Equal Opportunities Commission (EOC) and the Women’s Commission (WoC) jointly commissioned Lingnan University to conduct a research project to gain a better understanding of the needs, awareness, adoption and benefits of FEPPs in Hong Kong.

This research was the first project of this scale in Hong Kong that covered both employers and employees. The surveys among employers and employees were conducted between March and May 2006.

Key findings from the literature review

1. The adoption of FEPPs in different countries can be grouped according to different welfare state systems. Employers in member states of the European Union, such as Germany, Austria, and some Southern European countries, more frequently offer extra-statutory leave and child-care arrangements than do employers in the US or Canada (OECD, 2001).

2. Research so far shows that work-family arrangements are most common in public sector organizations and large organizations (OECD, 2001).

3. Organizations mainly offer flexible work arrangements (FWAs), such as flexible work hours and part-time work.

4. Leave arrangements and child-care support are less common (OECD, 2001).

5. Hong Kong SAR and PRC are at the very beginning stage in the development of a family-friendly concept towards the workplace.

6. Benefits of FEPPs are seen as:

- decrease in absence due to sickness
- staff retention rate increased
- costs decreased
- productivity increased
- enhance company image
- morale and commitment enhanced

Key findings from the survey among employers

1. A focus group discussion was conducted with 10 HR managers or persons-in-charge from 10 companies/organizations

comprising public utility companies and private companies to assess their understanding and opinions of FEPPs. A pilot study was also conducted to test the validity of the questionnaire before use.

2. Survey questionnaires were sent electronically and by mail to 6,600 companies of different sizes covering various sectors. A total of 137 completed questionnaires were collected. These companies represented 12 different industries and altogether employed about 160,000 employees, about 4.4% of the current working population in Hong Kong. Among these companies, 14 (10.2%) were public utility companies, 109 (79.6%) were private companies, whereas the remaining were unknown. In terms of company size, 52 (38.0%) of them were small and medium enterprises (SMEs) with 50 workers or fewer (or 100 workers for manufacturing companies). There were 80 (58.4%) large enterprises employing more than 50 workers (or 100 for manufacturers) and 5 (3.6%) unclassified.

3. In response to a question on whether the company was aware of FEPPs being implemented in Hong Kong, only 51 (37.2%) indicated in the positive, whereas 84 (61.3%) answered “no” and 1.5% “unidentified”. A further analysis revealed that there was greater awareness of FEPPs among large enterprises than among SMEs.

4. The adoption of FEPPs in Hong Kong was also low; only 14 (10.2%) of the 137 respondents had in place formal policy or guidance for FEPPs.

5. Among the companies that had adopted FEPPs, the most frequently implemented ones included family care leave (56.9%) (mainly compassionate leave, e.g. bereavement leave and marriage leave), flexible shift working (27.0%), and employee assistance programmes such as counseling services (24.8%). Many of them had also adopted a five-day working week (43.8%) and perceived company-organized voluntary work (27.7%) as FEPPs. (Chart 1)

6. The top 5 benefits after adopting FEPPs as cited by the respondents were (Chart 2):

- gained reputation of being an employer of choice;
- improved morale;
- increased ability to attract high-performing and experienced employees;
- enhanced working relationships between colleagues; and
- reduced turnover.

7. The top 5 considerations for not adopting more FEPPs as cited by the respondents were (Chart 3):

- difficulties in manpower deployment;
- restricted by job nature;
- administrative/managerial difficulties;

- few market leaders adopting FEPPs; and
- difficulties in withdrawing any implemented policies.

Key findings from the survey among employees

1. A focus group discussion was conducted with 10 key informants (employees from public utility companies and private companies) to assess their knowledge of and opinions on FEPPs. A pilot study was also conducted to test the validity of the questionnaire before use.

2. A total of 735 employees from 17 companies were invited to complete a self-administered questionnaire. In response, 680 questionnaires were collected, of which 653 were valid. The responses represented employees from 17 companies in 17 industries. These companies represented the major service industries in Hong Kong, namely from banking and finance, catering, communications, education, insurance, logistics, property management, real estate, retails, transport, tourism, and utilities. 59.1% of the respondents were females, 37.1% were males, and 3.8% were unidentified. About 59.6% of the respondents were married or cohabited, and 35.8% were not married. Concerning job level, 22.4% of the respondents were at director and management level, and 16.1% were at frontline supervisory level.

3. Among the respondents, 194 (29.7%) considered that the employment policies and practices of their companies were “family-friendly”, whereas 338 (51.8%) did not think so and the remaining had no comment. A total of 498 (76.3%) respondents supported the implementation of more FEPPs whilst 5 (0.8%) did not support it, and the remainder had no comment.

4. The top 5 benefits of FEPPs as perceived by respondents who had utilized them were (Chart 4) (Table 1):

- increased commitment to the company;
- improved morale;
- increased happiness;
- enhanced working relationships between colleagues; and
- decreased burn-out.

5. The top 5 FEPPs that were most wanted by the respondents were as below (there was no significant difference statistically between the two genders, except for the item on paternity leave) (Table 2):

- flexible work (flexi-time);
- compressed work hours schedule;
- home-based work;
- family care leave; and
- paternity leave (or maternity leave for women).

6. The top 5 factors hindering employees from utilizing FEPPs as reported by the respondents were (Chart 5):

- difficulties in manpower deployment and job allocation;
- unaware of the benefits of utilizing FEPPs;
- restricted by job nature;
- administrative/managerial difficulties; and
- fear of being seen by boss as less committed.

7. There were significant gender differences in adoption of FEPPs with male employees having utilized more than their female counterparts (Chart 6):

- part-time employment;
- flexible work schedule (flexi-time);
- home-based work;
- flexible shift working;
- paternity leave; and
- five day working week.

8. There were differences in work and family commitments between female and male respondents, with females devoted more time to taking care of children and housework.

9. Among the respondents, about one-third (34%) agreed or strongly agreed that they usually felt that they were under a lot of pressure or that the level of pressure at work was very high.

Including those who ‘slightly agreed’, about 72%-73% agreed with the two statements.

10. The results show that the longer the working hours, the higher were levels of perceived work stress, with the more physical/psychological symptoms, more turnover intention and greater work-family imbalance reported among participants; less family satisfaction and less work-life balance were also reported. Many of these relationships were stronger for female employees.

11. Similar results were obtained in correlating quantitative workload with outcomes. This means the more the quantitative workload, the higher the levels of perceived work stress, the more the physical/psychological symptoms, and turnover intention and the greater the work-family imbalance reported among participants; less family satisfaction and less work-life balance were also reported.

12. Further analysis to compare the two groups referred to in item 3 above (i.e. employees who considered the employment policies and practices of their companies as “family-friendly” versus those who did not think so) revealed that the former group had reported (Chart 7) (Table 3):

- less perceived work stress;
- higher job satisfaction;
- fewer physical/psychological symptoms;
- less work/family imbalance;

- more work/life balance;
- more family satisfaction;
- less turnover intention; and
- less absenteeism.

13. In particular, the results revealed that the organizational climate of the company such as employees' perception of the company's support of FEPPs, superiors' support, communication channels, recognition and the like to promote FEPPs would lead to more job satisfaction, greater work/life balance, less turnover intention and less work/family imbalance reported by employees. It was also found that supervisor support to family demands could lead to similar results, and, in addition, it could result in less perceived work stress, less physical/psychological symptoms and more family satisfaction.

14. Resilient employees perceived lower levels of work stress, experienced fewer physical/psychological symptoms and less turnover intention, and even reported higher levels of job satisfaction, work-life balance, and higher levels of family satisfaction and job performance.

15. Resilient female employees tended to report less work stress and less work-family imbalance, and these relationships were stronger than those found in male employees.

16. Employees who adopted more positive active coping tended to report less work stress and less work-family imbalance.

Conclusions

The balancing of work and non-work responsibilities has become an increasing global concern for workers since the 1990s. The requirement to work long hours is getting more common in Hong Kong. Many employees perceive high levels of work stress due to long working hours and this is detrimental to achieve work-family balance. Stressed and overburdened parents experience increased levels of stress and burnout, which in turn can lead to serious consequences for their families. The unresolved increase in work-family imbalance points to the value of and need for the various available “Family-friendly Employment Policies and Practices (FEPPs)”.

The results of the survey among employers revealed a low awareness of FEPPs among employers and a low adoption of FEPPs in Hong Kong. In contrast, the results of the survey among employees clearly demonstrated a strong support for wider adoption of FEPPs and the range of benefits that FEPPs might bring to both the organizations/companies and the employees.

Most significantly, perhaps, the results suggest that the current working culture in HK, which does not typically facilitate FEPPs, is the main factor hindering the adoption of FEPPs.

The results of this research and studies conducted in countries overseas indicate that FEPPs can lead to tangible and intangible positive outcomes which are beneficial to the individual employee's work well-being (job satisfaction, physical and mental health), and to individual companies (job performance, lower turnover rates, less absenteeism).

Gender differences in family demands and adoption of FEPPs were also examined in this research. The results show that while female employees spend more hours on family commitments, they utilize fewer FEPPs than male employees.

An Inventory of FEPPs in Hong Kong is:

A. Flexible Work Arrangements

Part-time employment

Flexible work schedule (Flexi-time)

Flexible shift working

Compressed work week

Job sharing

B. Family Leave Benefits

Additional maternity leave

Paternity leave

Family care leave

Leave bank

C. Other Support Schemes

Employee Assistance Programme

Critical Incident Support Scheme

D. Other FEPPs

Five-day Working week

Company-organized voluntary/family activities