

# Research on Family-friendly Employment Policies and Practices (FEPPs) in Hong Kong **EXECUTIVE SUMMARY**

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



平等機會委員會  
EQUAL OPPORTUNITIES COMMISSION



婦女事務委員會  
Women's Commission

# *Foreword*

Family is the foundation of our society and the nurturing cradle of our future generation. Cherishing the family is a core value of our community. As the Chief Executive has pointed out in his 2006-2007 policy address, the key to building a harmonious society lies in establishing a family-based support network and forging closer and harmonious relationships among family members.

Researchers have long recognized that work and family are interdependent domains with permeable boundaries. With people lives getting busier by the day, an increasing number of employees are reporting escalating conflicts between work and family responsibilities. As a result, many workers, in particular female workers, are leaving the workforce to cater to the needs of their families. The need to consider the roles of both women and men as carers as well as workers is clearly an emerging concern for our society since equity and discrimination issues relating to workers leaving and rejoining the workforce could have a huge social impact on us all.

The high number of pregnancy complaints received by the Equal Opportunities Commission reflects the needs to reconsider gender stereotyping in employment and in the family (women are often the one to leave her job and to take care of the family). The Women's Commission also sees it important to provide an enabling environment in which women, and men, can share out family responsibilities and fully develop their potentials through participation in society in all aspects. The two Commissions agree that there is a need to enable both

genders to achieve a better balance between their work and family responsibilities and to care for their families without career penalty.

To gain a better understanding of the prevalence, needs, awareness, and benefits of family-friendly employment policies and practices (FFEPs) in Hong Kong, the Equal Opportunities Commission and the Women's Commission jointly commissioned the Lingnan University to conduct a fact-finding survey in Hong Kong in early 2006. This is a pioneer study of this scale in Hong Kong that also includes information from employers.

Improving work-life balance is an important component of the policy agenda in many countries and it is incumbent on all of us to study ways to promote and deepen various family-friendly measures in the work place.

This executive summary is therefore an initiative to provide baseline data and statistics with the aim to encourage all sectors of the community to work together to bring work-life balance to reality. We hope that you will find this executive summary informative and useful.

A stylized, handwritten signature in black ink, consisting of a single continuous line that forms a loop and ends with a small hook.

Sophia Kao  
Chairperson  
Women's Commission

A handwritten signature in black ink, featuring a large, bold 'R' followed by a cursive 'Tang'.

Raymond Tang  
Chairperson  
Equal Opportunities Commission

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## **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

November 2006



## ***Executive Summary***

### **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 (Chart7) (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

## Charts and Tables

Chart 1. Percentages of adoption of FEPPs

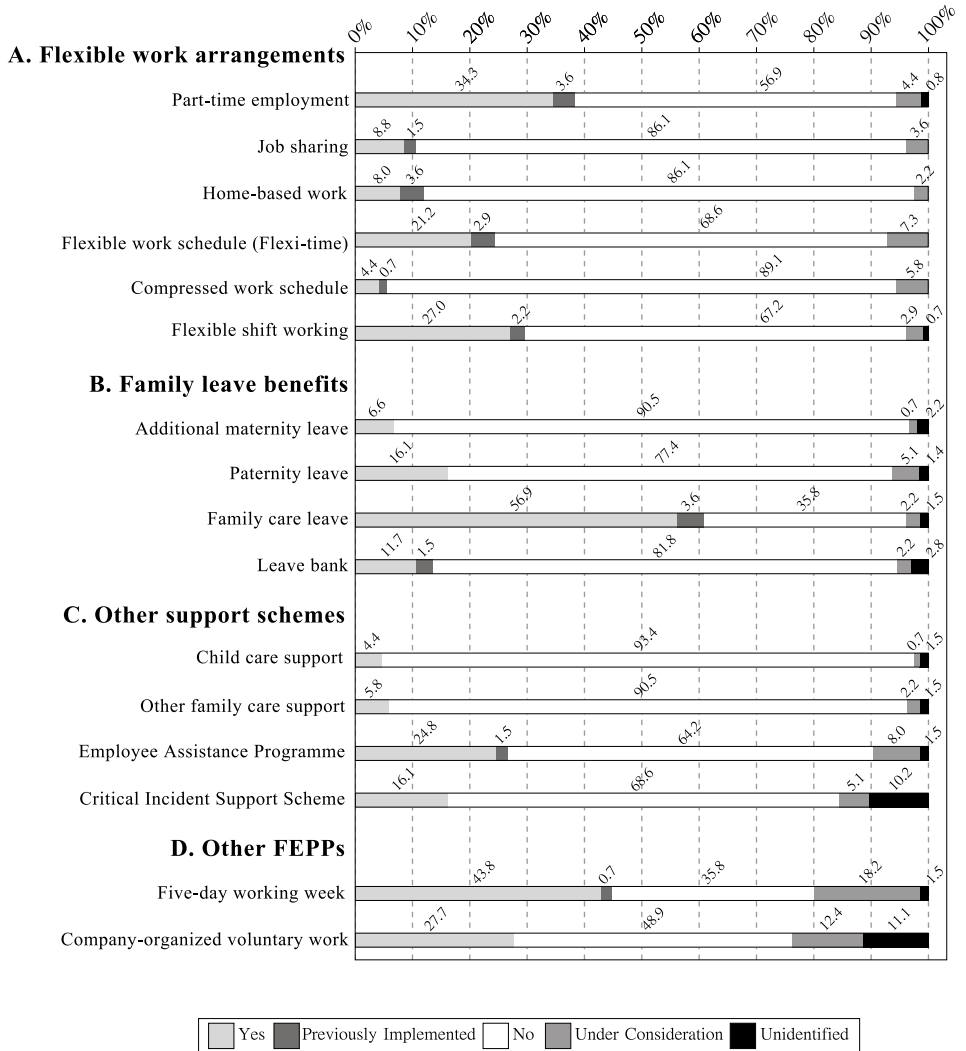
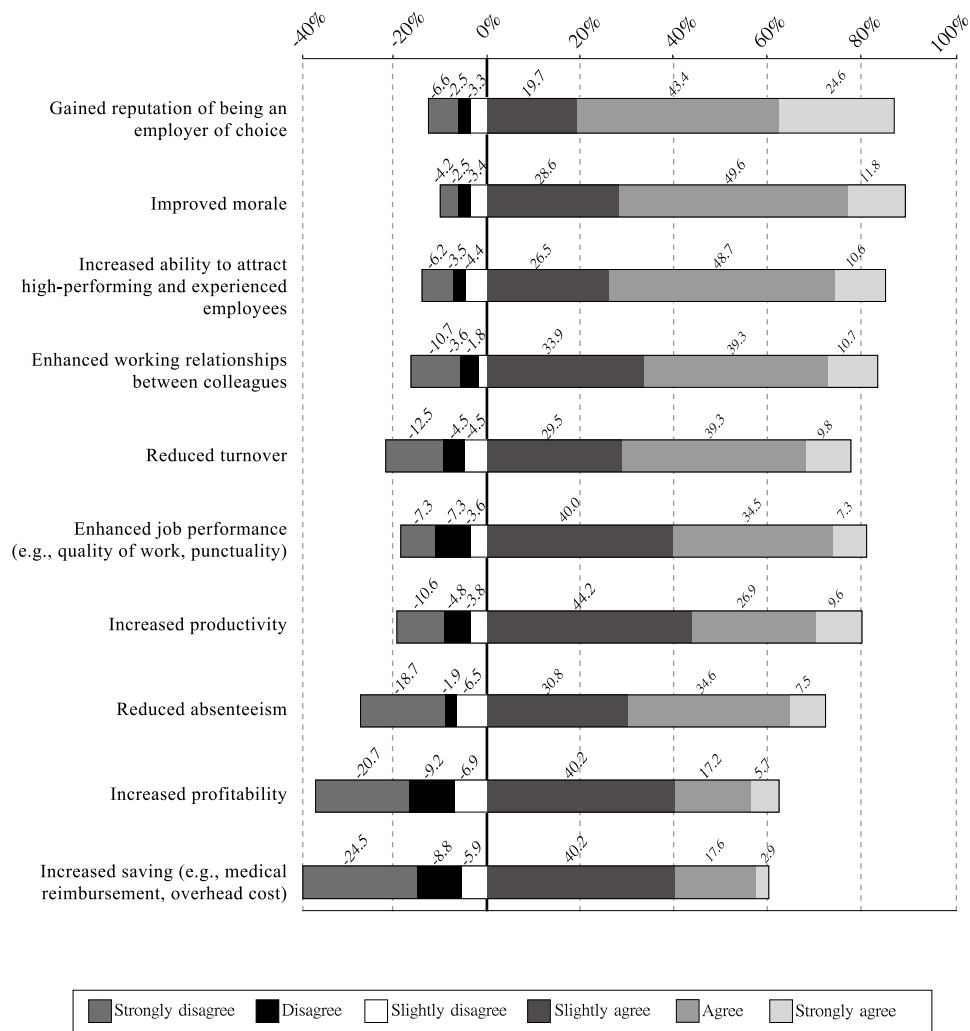
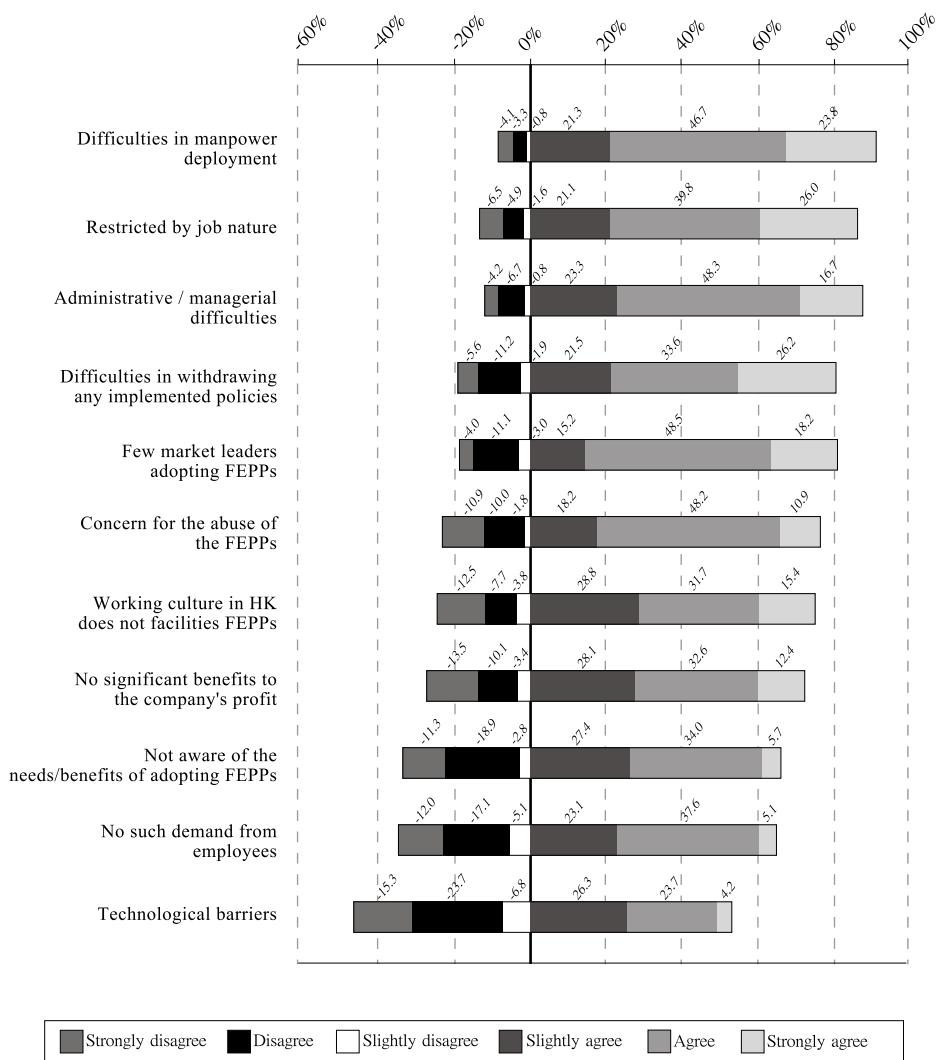


Chart 2. Percentages of reported benefits to the company / organization



Note: Measured on scales ranging from 1 (strongly disagree) to 6 (strongly agree). Negative numbers represent disagreement at different levels (from strongly disagree to disagree), positive numbers represent agreement at different levels (from agree to strongly agree).

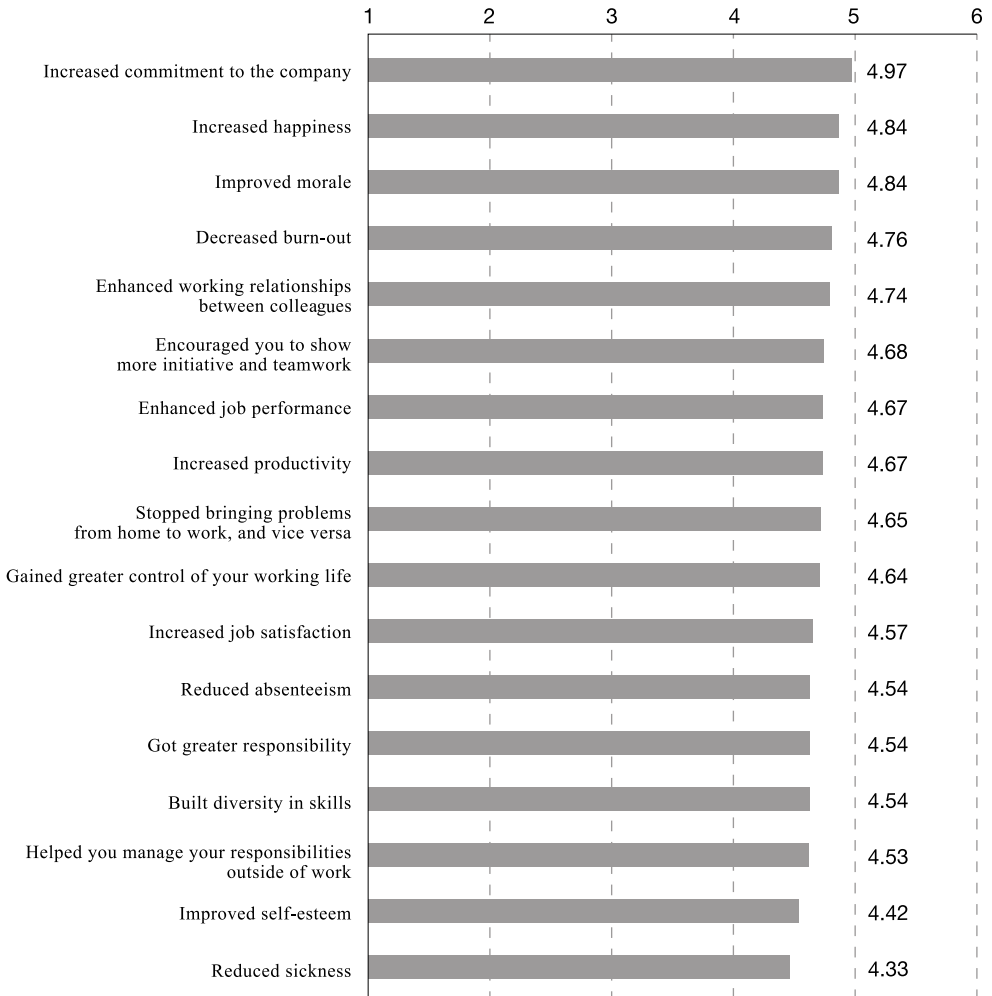
Chart 3. Percentages of agreement with reasons for not adopting more FEPPs



Note: Measured on scales ranging from 1 (strongly disagree) to 6 (strongly agree). Negative numbers represent disagreement at different levels (from strongly disagree to disagree), positive numbers represent agreement in different levels (from agree to strongly agree).

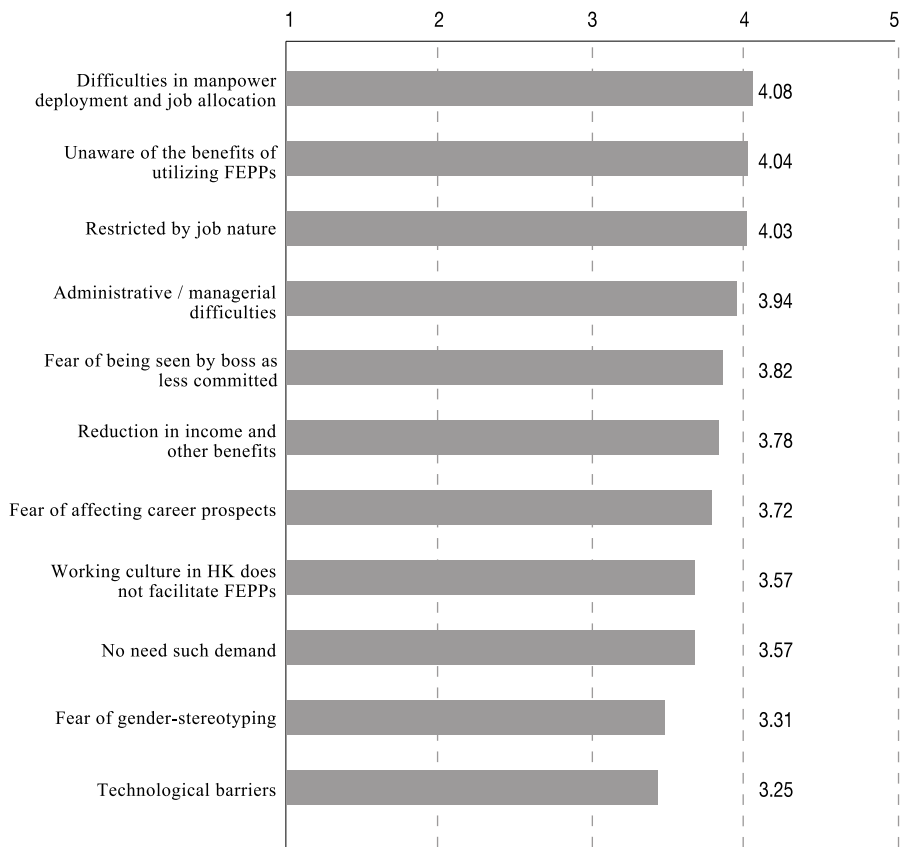


Chart 4. Employees' agreement with benefits of FEPPs



*Note: Measures on scales ranging from 1(strongly disagree) to 6 (strongly agree).*

Chart 5. Employees' agreement with hindering factors to utilization of FEPPs



*Note: Measures on scales ranging from 1(strongly disagree) to 6 (strongly agree).*

Chart 6. Percentages of ever adopted FEPPs by gender

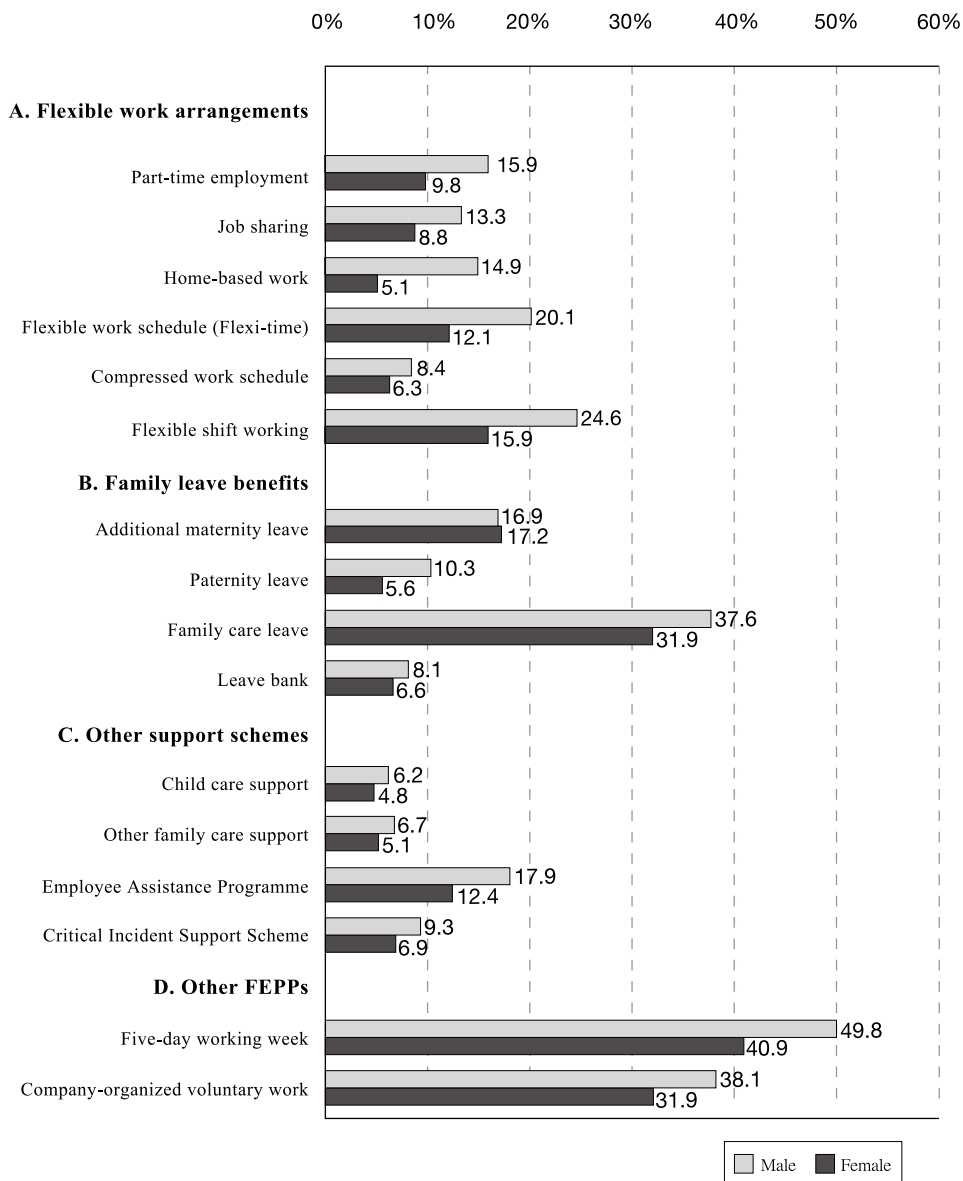
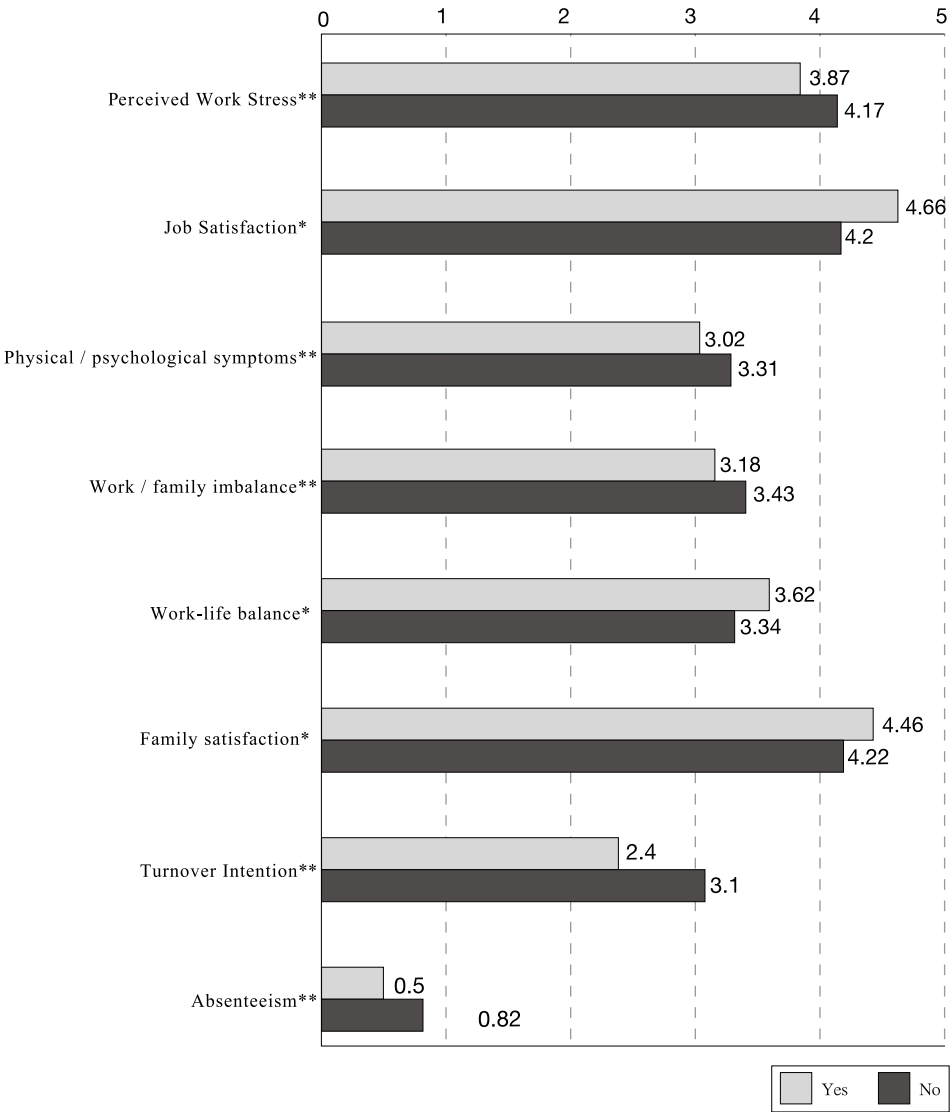


Chart 7. Comparisons between those who considered the employment policies and practices of their companies / organizations to be "family-friendly" and those who did not



Note: Measured on scales ranging from 1(strongly disagree) to 6 (strongly agree).  
\* The more the better. \*\* The more the worse. All these variables have significant differences.

**Table 1. Benefits and considerations in comparison**

<b>Benefits</b>	<b>Employers</b>	<b>Employees</b>
Gained reputation of being an employer of choice	●	
Improved morale	●	●
Increased ability to attract high-performing and experienced employees	●	
Enhanced working relationships between colleagues	●	●
Reduced turnover	●	
Increased commitment to the company		●
Increased happiness		●
Reduced burn-out		●
<b>Considerations</b>		
	<b>Employers</b>	<b>Employees</b>
Difficulties in manpower deployment	●	●
Restricted by job nature	●	●
Administrative/managerial difficulties	●	●
Few market leaders adopting FEPPs	●	
Difficulties in withdrawing any implemented policies		
Lack of awareness of the benefits of utilizing FEPPs	●	●
Fear of being seen by boss as less committed		●

Table 2. Top 5 FEPPs in comparison

<i>Top 5 FEPPs</i>	Frequently implemented	Under employers' consideration	Frequently utilized by employees	Most Satisfied by employees	Most Desired by employees
<i>A. Flexible work arrangements</i>					
Part-time employment					
Job sharing					
Home-based work		2.2%			39.0%
Flexible work schedule (Flexi-time)		7.3%			58.9%
Compressed work schedule		5.8%			44.1%
Flexible shift working	27.0%		17.6%		
<i>B. Family leave benefits</i>					
Additional maternity leave			15.2%	●	
Paternity leave		5.1%		●	27.5%
Family care leave	56.9%	2.2%	30.5%	●	32.6%
Leave bank					
<i>C. Other support schemes</i>					
Child care support					
Other family care support					
Employee Assistance Programme	24.8%	8.0%			
Critical Incident Support Scheme					
<i>D. Other FEPPs</i>					
Five-day working week	43.8%	18.2%	40.4%	●	
Company-organized voluntary work	27.7%	12.4%	31.4%	●	

Table 3. Summary of variables and outcomes

Outcomes	Gender	Perception	Working Hours	Quantitative Workload	Culture & Climate	Work Resources	Moderators	Moderator
Individual Outcomes								
Perceived work stress	M > F	Y < N	+	+	No diff.	-	No diff.	-
Job Satisfaction	M > F	Y > N	No diff.	-	+	No diff.	+	+
Physical/psychological symptoms	M < F	Y < N	+	+	No diff.	-	No diff.	-
Family Outcomes								
Family satisfaction	No diff.	Y > N	+	-	No diff.	+	No diff.	+
Organizational Outcomes								
Job performance	M > F	N/A	+	+	No diff.	+	No diff.	No diff.
Turnover intention	No diff.	Y < N	+	+	-	-	No diff.	-
Absenteeism	No diff.	Y < N	No diff.		No diff.	No diff.	No diff.	No diff.
Other Dimensions								
Work-Life Balance	No diff.	Y > N	-	-	+	+	No diff.	N/A
Work-Family Imbalance	M > F	Y < N	+	+	-	-	No diff.	-
Culture & Climate	No diff.		-					

Notes: 1. +/- represents significant positive or negative correlations with  $p < .05$ .  
2. *No diff.* represents no statistically significant difference.  
3. *Blank box* represents no comparison made.