

Executive Summary

With reference to the Government's consultation document entitled 'Thoughts for Hong Kong' released early in 2013, Hong Kong will face the challenge of a shrinking labour force from 2018. All sectors of society should foster a more favourable environment as well as provide employees with flexible and varied work arrangements and support with a view to removing barriers for those who are willing to take up employment. The Bauhinia Foundation Research Centre (the Centre) attaches great importance to Hong Kong's manpower resources and long-term competitiveness, and has proposed 'cultivating a family-friendly working environment and appealing to employers for their understanding to implement family-friendly employment measures' as one of the key strategies for removing barriers that discourage female labour force participation.

2. In the face of the challenge of our shrinking labour force, the Centre further explores how flexible work arrangements (FWA) could be widely promoted in the workplace to achieve a win-win situation benefiting the employees, employers and society, by enhancing working persons' work and life satisfaction, improving their physical and mental health conditions, and facilitating their fulfilment of family and social responsibilities; assisting enterprises in attracting and retaining talents, enhancing human capital, and sustaining competitiveness; and unleashing the potential labour force and mitigating the consequences of a shrinking labour force. Based on the secondary data analysis and findings from in-depth interviews and focus group meetings, we explore how FWA could facilitate work-life balance from the perspectives of employers and employees. Since occupational safety and health (OSH) is closely related to work-life balance, it is also included in this study.

Study Objectives

3. The objectives of this study are as follows:

- i. exploring the general situation of work-life balance among employees in Hong Kong
- ii. examining factors affecting work-life balance among employees in Hong Kong
- iii. reviewing the inclusion of FWA in the workplace in Hong Kong
- iv. analysing the benefits and resistance of FWA from the perspectives of employers and employees
- v. proposing strategies and recommendations to promote FWA and work-life balance

What is Work-life Balance? What are FWA?

4. Although scholars have different interpretations of work-life balance, the majority has reached a consensus that it is an equilibrium where people can find the pace of life that allows them to discharge their responsibilities on all fronts. Previous studies have established different models to describe the interference between work and life. Recently, there has been the introduction of the Border Theory that explains the phenomena of work-life balance by notions of permeability, flexibility, blending and border strength.

5. Work-life balance measures could be broadly categorised into three types, namely, (i) organisational support to dependent care such as appropriate childcare and elderly care services; (ii) FWA such as hours of work (e.g. clock-in and clock-out times), locations of work (e.g. working from home) and patterns of work (e.g. split shifts or job-sharing); and (iii) personal or family leave. The Centre has looked into childcare support in its study entitled 'Developing child support services on all fronts: To facilitate both parenting and employment' released in 2015. We will focus in this study on the other measures, especially FWA. Given that OSH may pose considerable impact on work-life balance, it is also covered in our analysis.

6. In short, work-life balance implies that people can find the pace of life that allows them to discharge their work and life responsibilities. FWA are measures provided by employers to accommodate employees' needs. On condition that work efficiency will not be affected, employers adopt an employee-oriented and open-minded management policy by allowing employees to adjust their work locations, hours and patterns of work with flexibility. For the sake of analysing how work and life of Hong Kong working persons intervene with each other, in the context of this study, employment is extended from working hours to cover all work-related activities to truly reflect the working time. In addition, life is extended beyond family life to other activities aside from work.

Government's Efforts in Promoting FWA and Other Related Regulations The Underlying Principle of Family-oriented Policy

7. Other than the statutory protection under the Employment Ordinance, the then Chief Executive expressed in the 2005-06 Policy Address and 2006-07 Policy Address that Hong Kong's socio-economic changes altered the family structure. As a result, many working parents faced the dilemma of work and family involvement. The Government therefore collaborated with the Family Council, the Women's Commission and the Equal Opportunities Commission to appeal to all sectors to create a family-friendly working environment. Since then, the Government has taken a family-

oriented approach and assumed the role of facilitator in promoting, studying and advocating the implementation of flexible working time, job-sharing and working from home. The Government has since 2006 implemented the five-day week, hoping to encourage the private sector to follow.

Roles of Government and Statutory Bodies to Enhance OSH

8. OSH is crucial when we discuss work-life balance. Both the Labour Department (LD) and the Occupational Safety and Health Council (OSHC) are responsible for promoting OSH. The Occupational Safety and Health Branch of LD is responsible for the promotion and regulation of safety and health at work. There are currently two Occupational Health Clinics (the Clinics) under LD which provide workers suffering from work-related and occupational diseases with clinical consultations, medical treatment as well as occupational health education and counselling services. Meanwhile, OSHC is committed to promoting safety and health at work and enhancing the level of safety management.

Working Environment and Characteristics of Working Persons in Hong Kong

9. The data on working environment and working persons will be presented in three parts. In the first part, we will analyse the labour force structure in accordance with variables including sex, marital status, age, education and employment status. In the second part, we will mainly explore the working patterns and health conditions of working persons. In the last part, we will present the data which show the penetration of FWA and the concerns of employers and employees over the arrangements.

Labour Force Structure

10. By analysing the data in 2015 on labour force structure, it is observed that the labour force participation rate of ever-married women (44.1%) was notably lower than those of ever-married men (69.5%). According to the 'Special Topics Report No.61: Job-changing of employed persons' published by the Census and Statistics Department (C&SD) in 2012, of those job-changers, 31.1% were aged 15-29, 25.8% were aged 30-39 and 21.1% were aged 40-49. Moreover, data provided by C&SD show that among employed persons in 2013, younger persons had a stronger desire to pursue further studies (aged 15-24: 30.5%; aged 25-34: 22.9%; and aged 35-44: 22%).

Working Patterns and Health Conditions

11. Various surveys indicate that employees in Hong Kong have long working hours in general. Besides, the number of actual working hours is higher than the number of contractual working hours, and over 70% of respondents do not have overtime

compensation. Based on a survey conducted by the Baptist University of Hong Kong (HKBU) in 2015, employers attributed long working hours to business needs (87.6%) while employees thought it was due to corporate culture (84.5%). A survey released by OSHC and the Whole Person Education Foundation in 2015 reflected that quite a number of working persons had experienced a considerable degree of work pressure (61.2%), and some suffered from symptoms of depression (24.8%) and anxiety (26.1%), and some were in a state of mental and psychological sub-health (55.7%).

12. A survey conducted by the Caritas Lai Chi Kok Workers Center in 2015 revealed the relationship between musculoskeletal disorders and industries/occupations, and indicated that it is difficult for those who suffer from musculoskeletal disorders to fully recover, let alone the fact that it may seriously affect their level of mobility. Another survey conducted by a labour group in 2015, however, found that 74.2% of respondents had no knowledge about the Clinics operated by LD. For those who knew about the Clinics, only 24.1% of them had visited the Clinics, implying that resources allocated to the Clinics have not been effectively used.

Penetration of FWA

13. According to a survey conducted by the University of Hong Kong (HKU) in 2012, flexible working hours could help alleviate the impacts brought by long working hours. Nonetheless, it is shown by the survey conducted by the Hong Kong Institute of Education in 2014 that less than 30% of enterprises have provided flexible working hours. Although the five-day work week scheme is the most popular arrangement, less than 50% of enterprises have put it into practice. With regard to HKBU's survey, the difficulties encountered allegedly by most employers include: 'worry about possible abuse' (89.4%), followed by 'difficult to monitor' (85.1%) and 'difficult to make the treatment on a fair and equal basis' (81.7%). These data demonstrate that FWA and related culture are not popular in Hong Kong and it is difficult for working persons with multiple roles to achieve work-life balance.

Case Study of Work-life Balance and FWA

14. Our in-depth interviews and focus group meetings explore employees' state of work-life balance, including their roles, responsibilities, main sources of pressure and the interference between 'work' and 'life' domains. We also explore employers' views of FWA, their considerations and benefits of the arrangements.

15. As indicated by the data presented earlier, the interference between work and life among working persons in Hong Kong is obvious. Drawing the insights from our interviewees, whether one could achieve work-life balance depends on his or her

choices to a large extent. Those who tend to separate work from life would likely pursue jobs that can accommodate their personal and family life. It will be most desirable for them to work for enterprises that concern about work-life balance of employees and have FWA in place. Owing to the socio-economic changes, such job opportunities are relatively not easy to find, and FWA hence play a pivotal role under such circumstances. It is certainly true that some working persons associate work with achievement, opportunity and ambition, and therefore are willing to put extra efforts into work for such satisfaction. Based on the analysis of our case study, it is noted that aside from facilitating the achievement of work-life balance, FWA could allow the work domain or the life domain to contribute to each other (e.g. undertaking further study would be of benefit to work).

16. Some interviewed employers hold the view that the provision of FWA appears to be unilaterally showing employers' care and concern to employees and providing them with benefits; but the arrangements could actually be beneficial to both the employers and employees. For employers, the arrangements could reduce turnover rate and absenteeism rate, and facilitate them to have a flexible management model, improve manpower resources and accommodate corporate development. Having said that, some factors should be taken into account, such as the increase in operating costs. If all sectors of society could look into FWA from a wider perspective, it would not be difficult for them to understand that FWA could better capitalise the manpower resources and bring unexpected economic benefits. It would be beneficial to the employees, enterprises and society in the long run.

Study Findings

17. Having analysed the data and our cases, we have concluded our study findings as below.

Work Indistinguishable from Life Causing Employees' Use of Time Less Flexible

I. Work-life interference exerts pressure on working persons

18. There is no clear distinction between work and life in Hong Kong. The situations of ever-married women and young working persons are particularly noteworthy. Apart from the pressure brought by work-life imbalance, working persons may find difficulties in work and life which have impacts on each other.

II. Working hours and pressure should not be the only indicators to measure work-life balance and the roles of employees should serve as a useful reference

19. Everyone has different definitions of work-life balance. It is most important to clarify what does 'work-life balance', an abstract concept mean. We can only assess accurately by making reference to the roles of the working persons, and exploring

whether it is about 'work interfering with life', 'life interfering with work' or 'work and life interfering with each other'.

FWA Enhance Flexibility of Employees in Time Arrangement Strategically

III. *FWA enable employees better coordinating work and life*

20. FWA facilitate employees with highly permeable job nature (e.g. design practitioners who always work day and night) to coordinate well. To make the arrangements function effectively, the result-focused performance management should be in place to foster mutual trust between employers and employees.

IV. *Mistrust between Employers and employees frustrates the inclusion of FWA*

21. Regardless of the benefits brought by FWA, our study observes that they are not at all popular in Hong Kong. Some employers worry about possible abuse of the arrangements, difficult to monitor and difficult to make the treatment on a fair and equal basis. Information gathered from in-depth interviews and focus group meetings found that employees dare not file applications for the arrangements because they believe that the employers expect them to place work at the forefront, or their relationship with the management is too bad, or they worry about their work and promotion opportunities being deprived.

V. *Technology is a double-edged sword which enhances work flexibility but obliterates the line between work and life*

22. With the advancement in technology, the possibility of implementing FWA is much greater. For instance, employees can work from home with the provision of computers and networks by their employers. Nonetheless, it will be easier for working persons to access to work-related messages after work; as a result, it will inevitably obliterate the line between work and life.

Apart from Providing FWA, a Healthy Workplace is of Critical Importance

VI. *While employees suffering from repetitive strain injuries have raised concerns, overlooking OSH would lead to an increase in social costs*

23. Physical and mental health of employees are crucial factors that enable employees to achieve a better balance between work and life. However, employers and employees in Hong Kong have both ignored OSH, the problem of repetitive strain injuries is particularly serious. OSH in workplace should not be understated, otherwise all sectors of society have to pay a heavy social cost ultimately.

Policy Recommendations

24. Work-life interference is common among working persons in Hong Kong. While acknowledging that FWA help achieve work-life balance, the Centre is aware of the fact that the arrangements could not solve some problems, particularly the impact of physical and mental health on work-life balance in the workplace. Accordingly, we propose to strengthen the promotion of FWA and improve the working environment, with the intention of enhancing the physical and mental health of working persons through policy recommendations.

Recommendation 1: Establishing a ‘Special Committee on Promoting Friendly Employment Culture’ to Coordinate FWA Policy

25. The Centre proposes establishing a ‘Special Committee on Promoting Friendly Employment Culture (the Special Committee)’ under the Labour and Welfare Bureau. As an integrated policy platform, it promotes cross-sector collaboration among the Government, the business community and the labour sector to formulate policy directions and promotion, vet applications for a designated fund, provide consultancy services for enterprises/organisations and regularly review the penetration of FWA and the effectiveness of promotion strategies.

Recommendation 2: Emphasising Two-tier Positioning of ‘Family Policy-oriented’ and ‘Individual Development-oriented’

26. Nowadays, it is common that working persons are playing different roles in office and at home, and spend non-work hours to further study and do voluntary work which are beneficial to the development of individuals and society. The Centre therefore suggests adopting two-tier positioning, of which both ‘family policy-oriented’ and ‘individual development-oriented’ are emphasised.

Recommendation 3: Formulating Key Performance Indicators and Regularly Reviewing the Progress of Promoting FWA

27. The Government could make use of C&SD’s Annual Survey of Economic Activities by including relevant questions to facilitate the Government to measure the inclusion of FWA. Furthermore, the Government should regularly conduct large-scale surveys, make comprehensive analysis and recommend most appropriate measures to help enterprises cope with the challenges amidst implementing the arrangements. Besides, the Special Committee should set objectives and time schedules for promoting FWA, and identify relevant policy areas to follow up on its coordination work.

Recommendation 4: Making Good Use of Technology and Innovation to Increase the Possibility of Implementing FWA

28. The Centre suggests a 'Friendly Employment Culture Fund (the Fund)' under the Special Committee to facilitate small and medium enterprises implementing FWA. In addition, the Special Committee could share with the business sector some successful cases, with a view to facilitating experience sharing among enterprises.

Recommendation 5: Promoting 'Prevention is Better than Cure' and Enhancing OSH for Better Protection

29. Prevention is most crucial to reducing the impacts brought by occupational diseases. The Centre suggests the Government conducting studies of occupational diseases based on industries and occupations and kicking off the discussion of the definition of occupational diseases to enhance employee protection.

Recommendation 6: Promoting Early Intervention to Ease Repetitive Strain Injuries and Emotional Distress

30. The Centre holds the view that the waiting time for the Clinics is unsatisfactory. We suggest the Government re-engineering the existing emotional and mental health services in all districts, adopting the community-based approach to involve welfare organisations and family doctors in providing support services and establishing a checklist of 'one-stop occupational health support services' to ensure that needy people can get early intervention services.

Recommendation 7: Encouraging Enterprises to Keep OSH on close watch and Foster an OSH Culture

31. The Centre proposes setting up the Fund and a consultancy team under the newly-established Special Committee to extend the funding scope and provide more extensive consultant advice services with a view to encouraging enterprises to improve safety and health conditions of the workplace. Moreover, the Government should encourage enterprises to include guidelines of OSH in their employee handbooks, and assign designated staff members to be the OSH officers. The officers should regularly review the regulations in the employee handbooks, conduct internal surveys, and help achieve better understanding between management and staff through dialogues on matters related to OSH.

Recommendation 8: Placing Values on Result-oriented Performance Culture and Drawing a Clear Line for Work

32. The Centre is of the opinion that promoting the culture of result-oriented performance in the workplace could help clarify the employers and employees'

reasonable expectations. It could also facilitate discussions between employers and employees of working arrangements, in pursuance of enhancing work efficiency and reducing unnecessary overtime work. On the one hand, this could allow employers to better understand the work progress; on the other hand, this could help employees strike a balance between the time allocated to work and life.

Concluding Remarks

33. The Centre believes that employers and employees are in no way antagonistic to each other. We anticipate that with the Government's further promotion of FWA, both employers and employees could satisfy their needs. We are of the view that the inclusion of FWA does not require a large amount of additional costs; but the returns are substantial and positive. Employers by taking into account their own situations and showing their employees more care, FWA could be made at whatever scale to suit their own circumstances. Aiming at fully cultivating the FWA culture in the workplace, the Government should make continuous efforts in areas of manpower supply, talents training and childcare support services to allow those enterprises with manpower shortage to implement the arrangements.