

WORKPLACE FLEXIBILITY

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Workplace Flexibility

If your organization is not currently offering flexible work hours or work/life balance programs it is in the minority. Today's employees have an expectation that they will have some control over how they structure their work week. Also, with technology making employees much more accessible to their employer outside of regular work hours, employees will likely expect some level of support in their endeavours to achieve a work/life balance that is aligned with needs.

During February/March 2016 Western Compensation & Benefits Consultants ("WCBC") conducted online research on the prevalence, design and management of the flexible work hours and work/life balance programs of Canadian employers. WCBC conducted similar research in February of 2014 enabling us to gauge changes in workplace flexibility over the past two years.

WCBC would like to thank the 191 organizations who shared their policies and experiences with us by participating in our 2016 research.

Flexible Work Hours

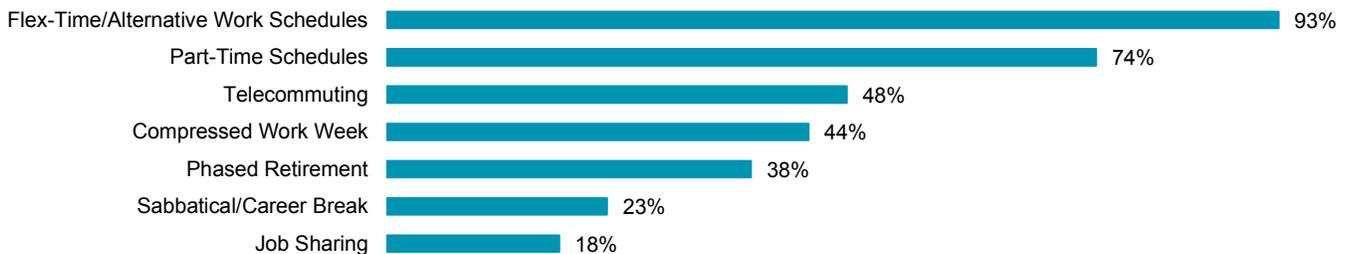
Unchanged from two years ago, 88% percent of organizations offer some or all employees the ability to choose how and when they work. Flexible work hours are more common in not-for-profit (96%) and public sector (91%) organizations but are still prevalent in private sector (84%) companies.

**Percent of Organizations Offering Flexible Work Hours
(by economic sector)**



Flex-time allows employees to start early/leave early and is the most popular flexible work arrangement. The prevalence of flex-time and other commonly offered options are:

Percent of Organizations Offering Flexible Work Hour Options

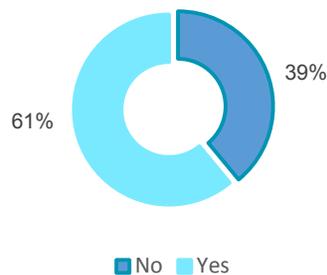


Compared to two years ago, there has been an increase in organizations offering all of the above options with the only exception being a 4% decrease in the number of organizations allowing employees to work from a remote location outside of the traditional office (telecommuting). Compared to smaller employers, organizations with more than 500 employees are more likely to permit employees to work a compressed work week (which allows an employee to work a traditional 35-40 hour workweek in less workdays), offer job sharing (where two or more people share a single job) or allow sabbatical/career breaks. Private sector companies (42%) are more likely than public sector (33%) or not-for-profit (32%) organizations to retain older, skilled employees by having a phased retirement option allowing employees approaching retirement age to reduce their hours/days and eventually transition from full-time work to full-time retirement.

Work/Life Balance Programs

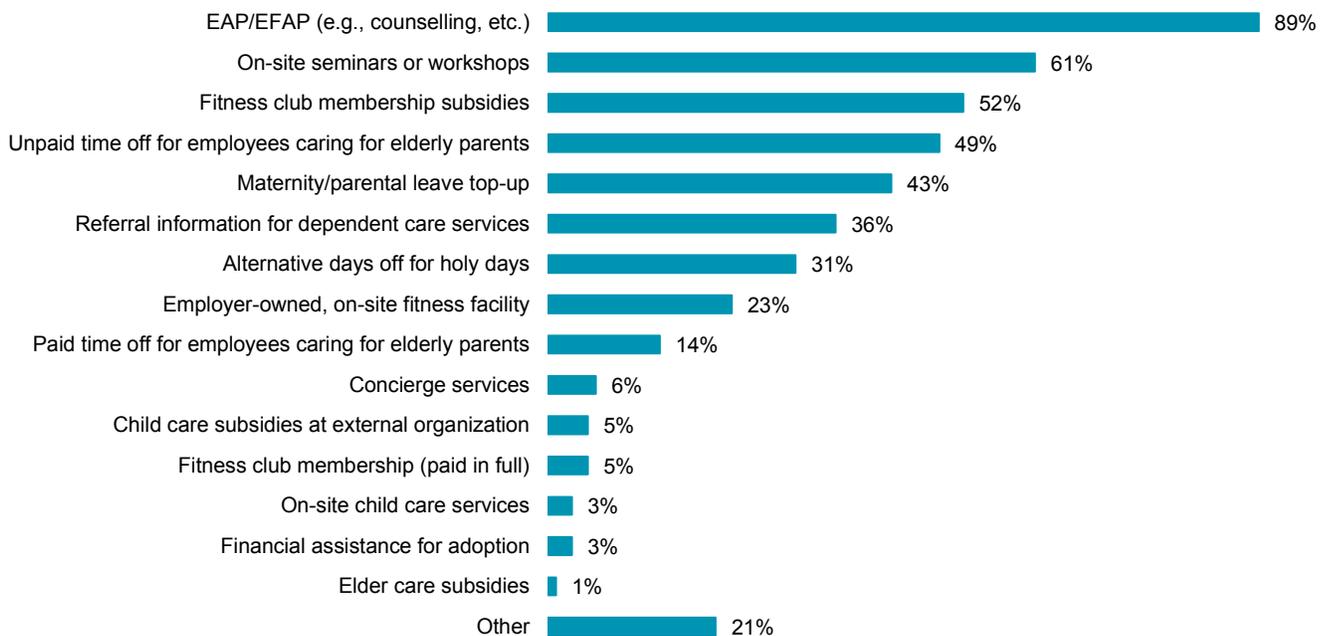
Canada's workforce is comprised of parents, spouses, friends, and caregivers of children or elderly relatives. Not surprisingly, achieving balance among all these competing priorities can be difficult. Six out of 10 organizations offer programs to assist employees take care of their own physical and mental well-being through access to a variety of work/life balance programs.

Percent of Organizations Offering Work/Life Balance Programs



The work/life balance programs offered include:

Percent of Organizations Offering Work/Life Balance Programs



As shown below, larger Canadian employers are more likely to offer work/life balance programs than are mid- or small-sized employers.

**Percent of Organizations Offering Work/Life Balance Programs
(by number of employees)**



Program Implementation

Flexible Work Hours

In more than half (52%) of public sector organizations, flexible work hours have been in place for more than 10 years while the typical not-for-profit and private sector organization has offered flexible work hours for five to 10 years. Compared to mid- and small-sized employers, larger employers are also more likely to have offered flexible work hours for more than 10 years.

Percent of Organizations Offering Flexible Work Hours For More Than 10 Years



When moving away from the traditional work day to offering employees flexible work hours, the majority of employers roll out the plan without a pilot or trial phase. However, 29% of public sector organizations test the waters before full implementation as compared to only 18% of private sector companies and 14% of not-for-profit organizations.

Work/Life Balance Programs

As shown below, the introduction of work/life balance programs has been a more recent addition for private sector companies, while public sector and not-for-profit organizations typically have offered such programs for more than 5 years.

Percent of Organizations Introducing Work/Life Balance Options Within The Past 5 Years

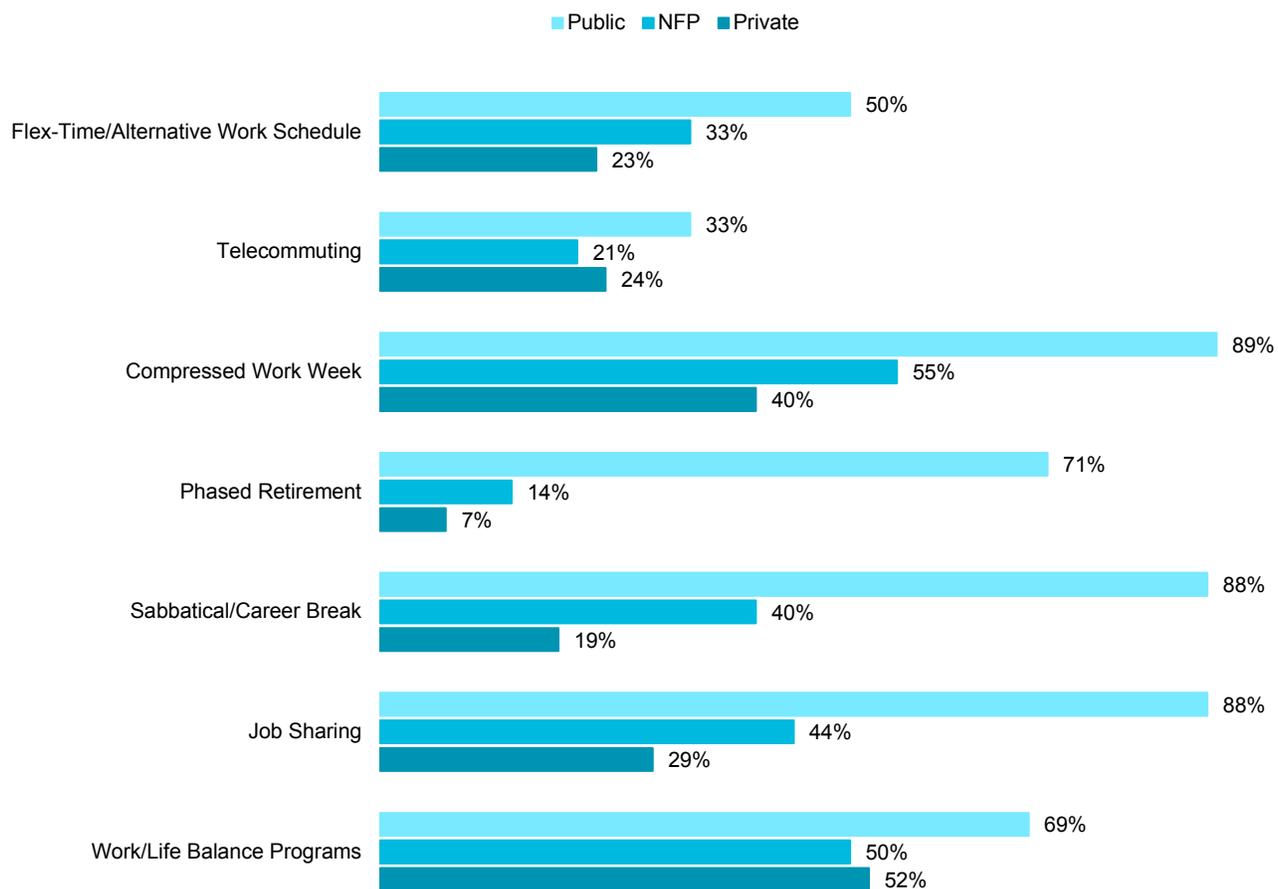


Only one out of ten organizations had a pilot or trial phase before full implementation.

Program Policies

The degree of formality in the various flexible work options ranges from plans with formal, written policies consistently applied, to plans where no policies are in place. As shown below, public sector plans, more often than not, are formal while plans in private sector companies are semi-formal or decided on a case-by-case basis.

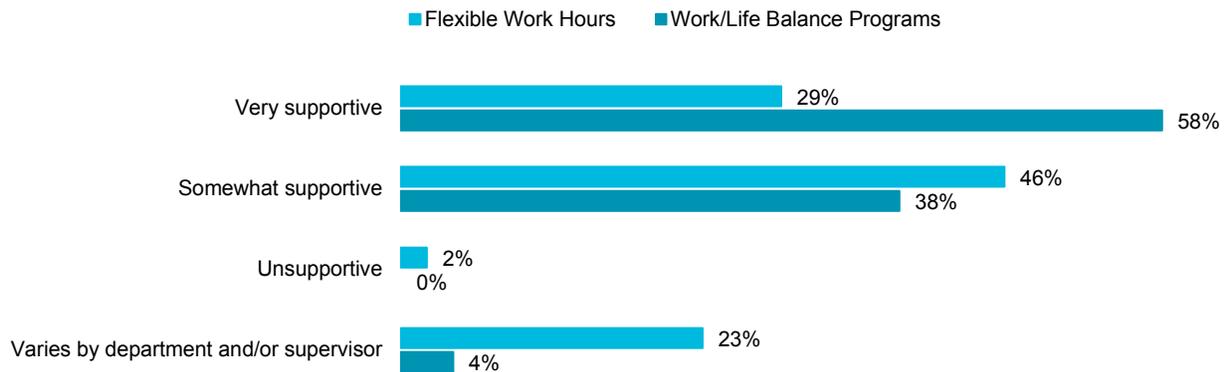
Percent of Organizations With Formal, Written Policies, Consistently Applied



Support and Participation in the Programs

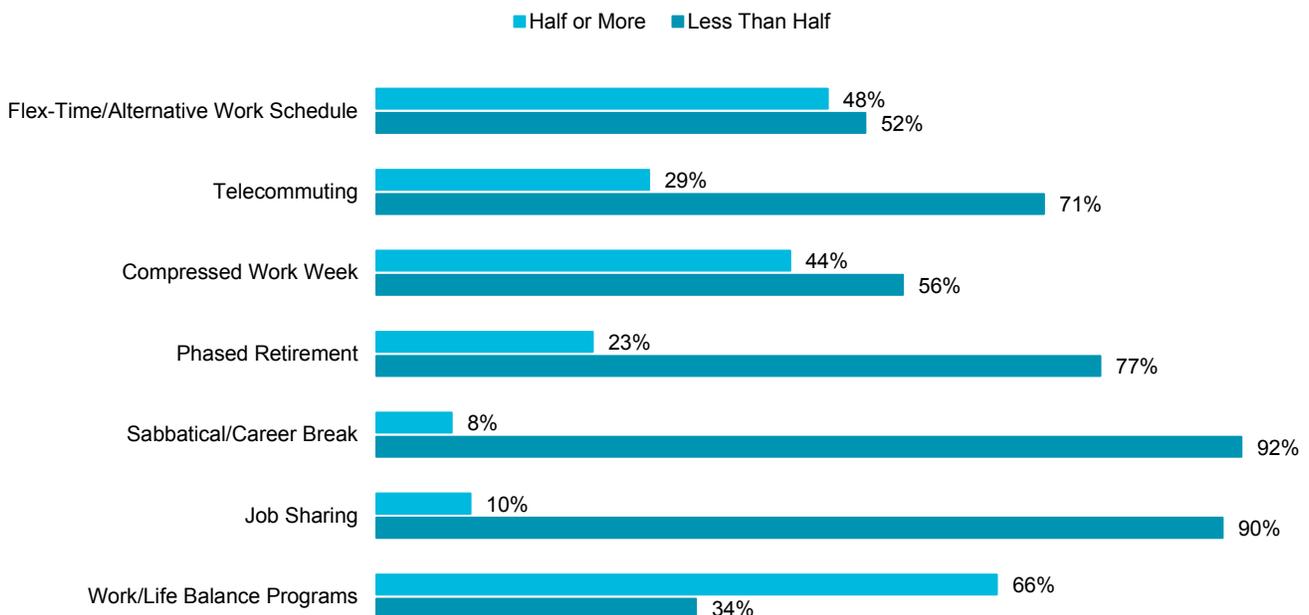
The human resources department can implement programs, but if the workplace culture doesn't support employees utilizing these programs success will be difficult. Three-quarters (75%) of organizations felt their workplace culture was somewhat supportive or very supportive of employees working flexible hours. However, 96% of organizations are supportive of employees utilizing work/life balance options.

Level of Support For The Utilization of Flexible Work Hours or Work/Life Balance Programs



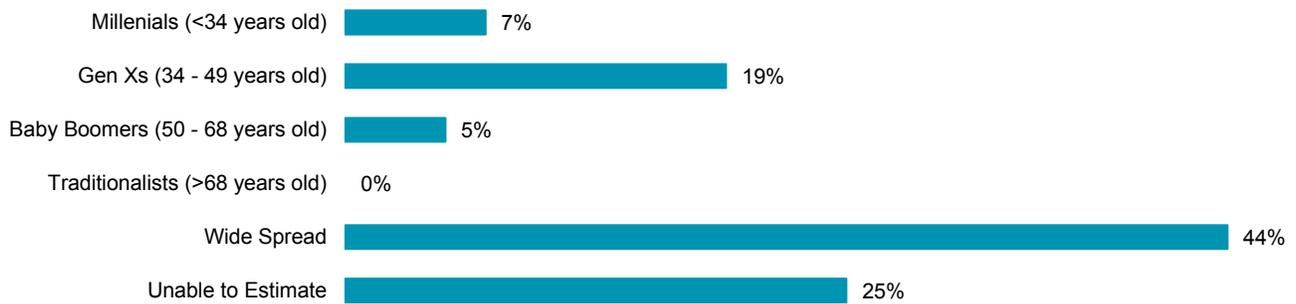
Individual employee circumstances dictate whether or not flexible work hours are of value to them or not. The uptake of employees choosing the various flexible work hour options or utilizing work/life balance programs is shown below:

Percent of Employees Choosing Flexible Work Hour Options or Utilizing Work/Life Balance Programs



Interest from employees to have flexible work hours varies from a millennial wanting time to pursue outside interests to a Gen X employee juggling child care and elder care issues. WCBC's research shows that usage is typically wide spread among all age groups with a slightly higher uptake by Gen X employees. The exception to this finding is that those taking a sabbatical or career break are predominantly (39%) employees under 50 years old.

**Percent of Employees Utilizing Flexible Work Hours and Work/Life Balance Programs
(by age group)**



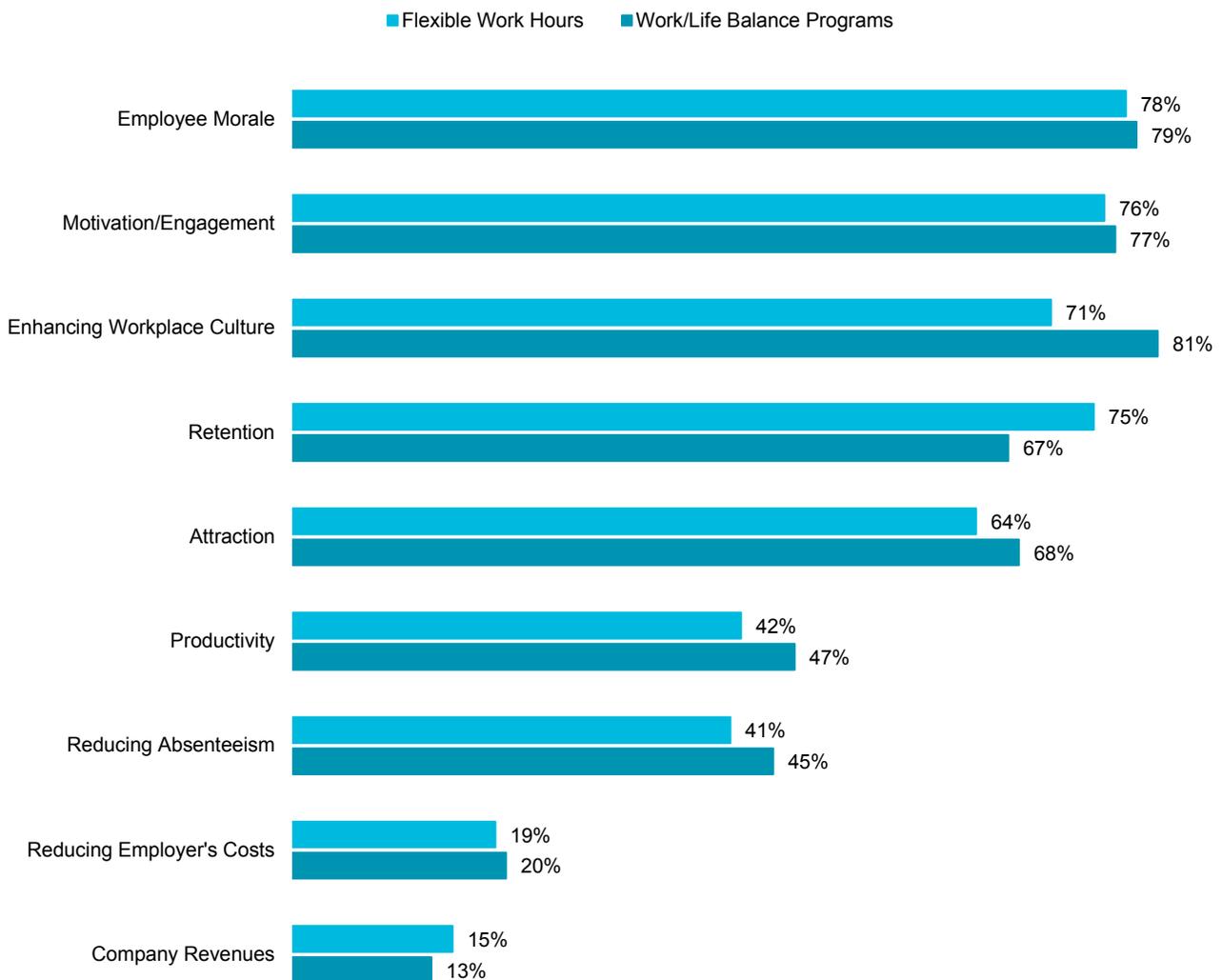
Program Evaluation

Fourteen percent of public sector employers and 7% of not-for-profits attempt to calculate the return on investment from their flexible work programs, while none of the private sector employer report doing so. Program evaluation is typically through qualitative methods such as employee satisfaction surveys as opposed to quantitative methods attempting to measure increased productivity, customer satisfaction, etc.

Program Success

Overall, Canadian employers view offering flexible work hours and work/life balance programs as having a positive effect on considerations such as employee attraction, motivation and retention. These programs seem to have little to no effect on reducing employer's costs or increasing company revenues.

Percent of Organizations Believing Options/Programs Have A Positive Effect

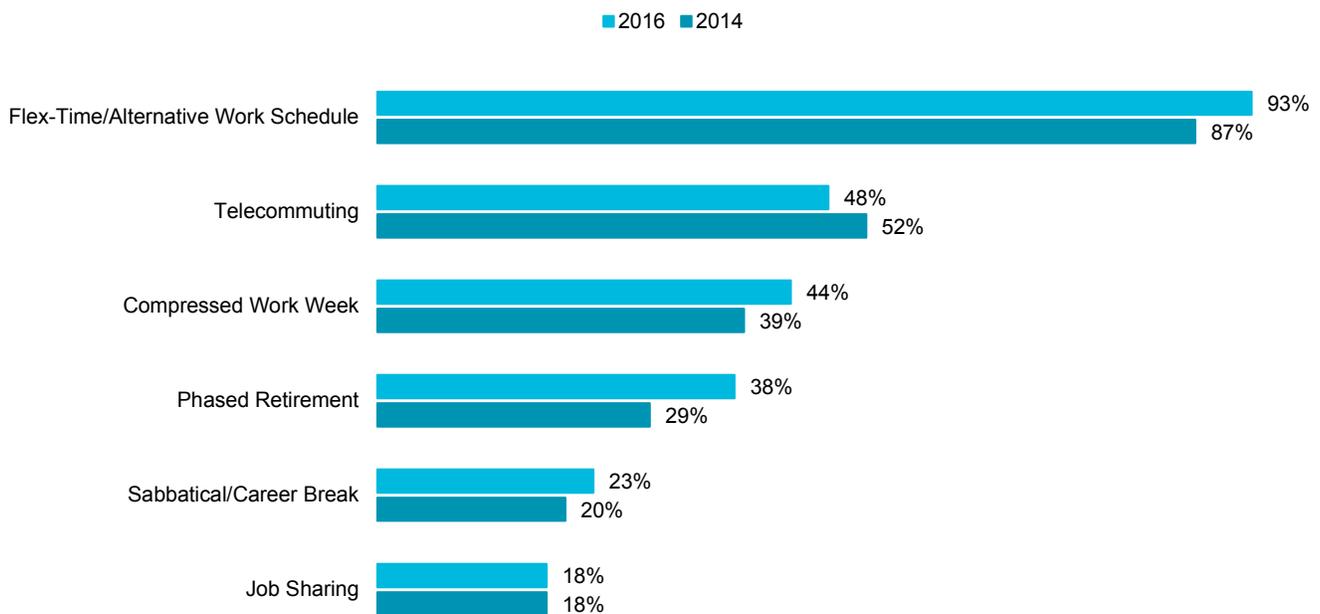


Conclusions

Nine out of 10 organizations offer flexible work hours and six out of 10 offer work/life balance programs. Employers feel that providing flexibility and options to employees has a positive effect on attraction, motivation, retention, employee morale and enhancing the workplace culture. Three-quarters of organizations feel their workplace culture is somewhat or very supportive of employees working flexible hours and virtually all organizations support employees utilizing work/life balance programs.

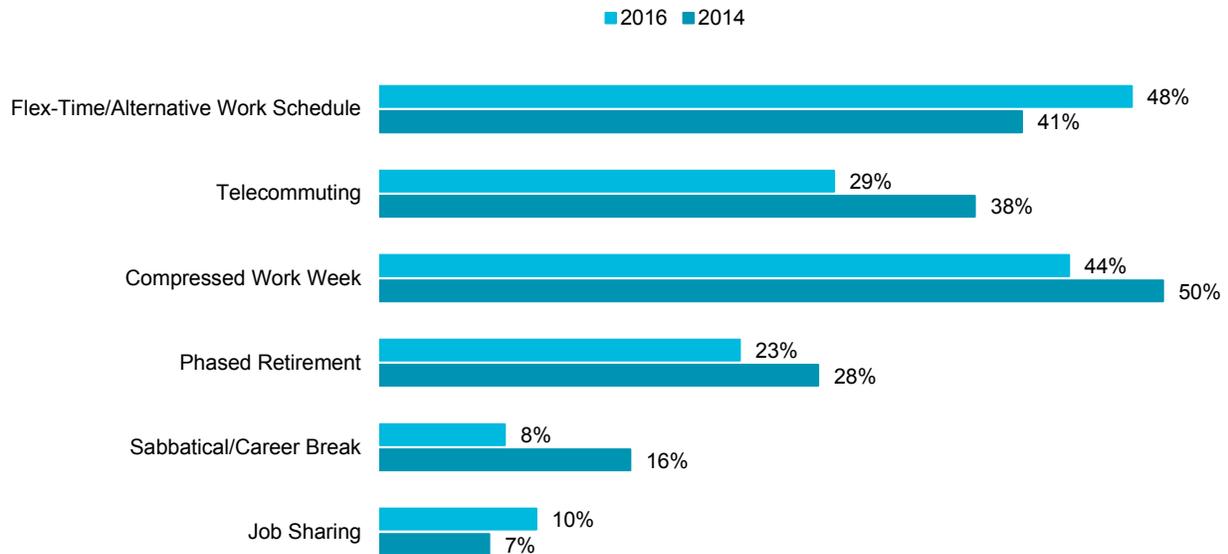
Compared to WCBC's 2014 Workplace Flexibility Survey, we have seen an overall increase in the flexible work hour options offered by employers.

**Percent of Organization Offering Flexible Work Hours
(2016 versus 2014)**



While employee utilization varies by type of flexible work hours offered, employee utilization had an overall decrease of 3% from two years ago.

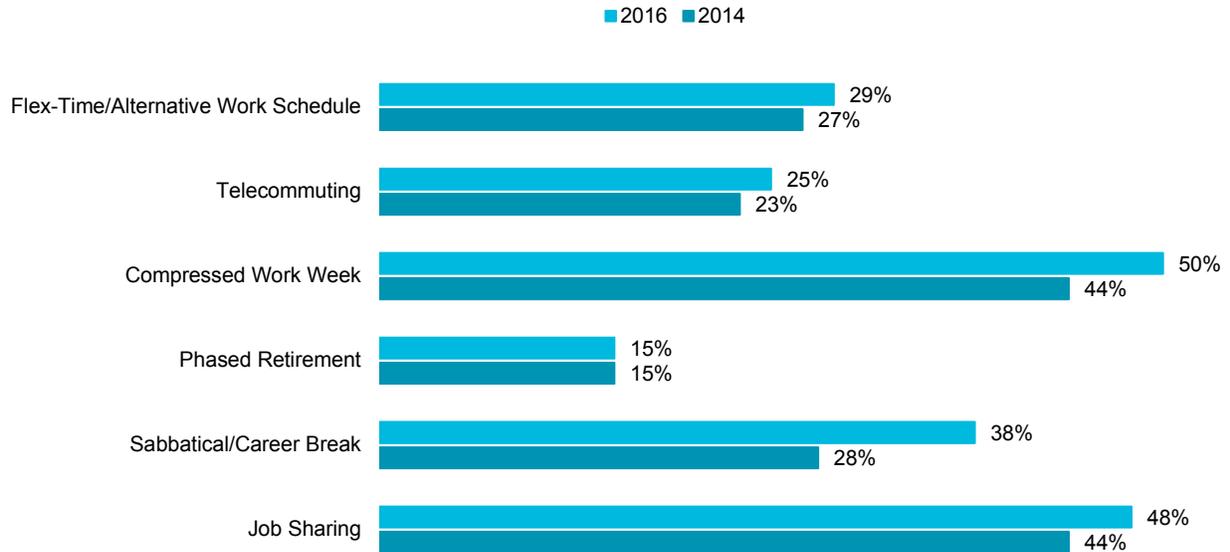
Percent of Employees Choosing Flexible Work Hour Options (2016 versus 2014)



Even with a slight decrease in utilization, workplace flexibility options remain prominent. While employers wish to accommodate a better work/life balance for their employees, the needs of the business must be maintained. A concern for many employers is if flexible work options are offered they may experience issues with employees not being accessible to other staff or customers. It turns out most employers find that accessibility issues do crop up relatively infrequently.

As shown below, as workplace flexibility programs mature, organizations are moving towards more formal, written policies that are consistently applied as opposed to dealing with requests on a case-by-case basis.

**Percent of Organization with Formal Plan for Flexible Work Hour Options
(2016 versus 2014)**



Workplace flexibility continues to evolve to address changing workplace realities.