

**FAMILY-FRIENDLY
PRACTICES AND
FLEXIBILITY IN SMALL
COMPANIES
IN CANADA**

Our research found:

A wide range of creative
and flexible practices

Advantages for
supportive
manager attitudes

A need for mutual
flexibility between
employees and
employers

Relationships and
trust more important
than policy

Supportive practices:
the "right"
thing to do

August 2000

Dear Colleague,

In Canada, 99% of companies have fewer than 100 employees. Although the benefits of work-life initiatives and flexible work arrangements are well established in the corporate sector, little is known about the benefits and challenges of work-life initiatives in small companies.

In 1999-2000, the Centre for Families, Work & Well-Being, with the generous support of the J.W. McConnell Foundation, conducted an extensive study of family-friendly practices in small businesses across Canada. Our goal was to identify the challenges of addressing work and family in small companies and to report on successful strategies that owners and managers of these companies use, not only to meet the needs of their employees, but also to enhance their overall business outcomes.

Our results indicate that small business owners take work-life initiatives seriously and see them as critical to the success of their business and to their relationship with their employees and their customers. In contrast to the perception that small companies cannot provide the flexible options that large companies do, our results indicate that small companies compare very favourably in the provision of flexibility.

We are taking this opportunity to share our findings with you so that you will be encouraged by the strategies outlined in our report and be able to use them in your own business success!

Sincerely,



Kerry Daly,
Co-Director, Centre for Families,
Work & Well-Being

WHAT PREVIOUS RESEARCH TELLS US

Research from large companies indicates that flexible work arrangements and supportive workplaces have an impact on both the business and the employees.

Business Advantages

- employees using flexible work arrangements have lower absenteeism
- consumer/client satisfaction increases after the implementation of work-life initiatives
- the top driver of employee commitment is management's recognition of personal and family life
- employees who use flexible work arrangements show greater motivation and initiative

“We believe our employees have good lives. Their agreement is shown in their loyalty and long-term employment with us.”

Owner, manufacturing company, 12 employees

Employee Advantages

- flexible work arrangements are related to higher levels of job satisfaction
- a supportive supervisor is associated with lower levels of employee stress and higher levels of job satisfaction
- flexible work arrangements give employees a more satisfactory balance of their work and life responsibilities

Our Research Project

The Centre for Families, Work and Well-Being sent questionnaires to over 2200 owners and managers of businesses with fewer than 100 employees. The sample was chosen from the Strategis Canada database (HRDC). These companies were located in 5 provinces across Canada: British Columbia, Nova Scotia, Ontario, Quebec and Saskatchewan. Following our survey, focus groups with small business owners and managers were held in 5 cities across Canada to find out about their supportive programs, their motivation and their challenges.

Our Goal

We set out to answer the question: **What are the work-life strategies that make small companies successful in concurrently meeting their business objectives and being a good place for employees to work?**

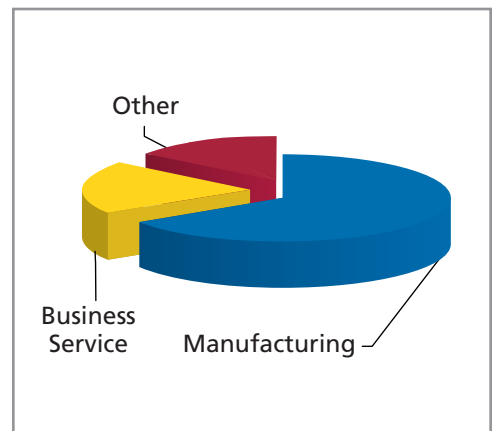
“Thanks for finally surveying the little guys!”

Director of HR, computer service company, 45 employees

Our Participants

We received responses from over 300 companies. The median company size was 24 employees, and almost half of the businesses had between 10 and 25 employees.

More than half of the companies were in the manufacturing sector, and another 20% provided various business services. The remainder included trade, health and education services, construction and primary industries. Fewer than 10% were unionized.



Nine out of ten employees in these companies worked full-time. In total, more than 2/3 of the employees of these small companies were male.

What are Work-Life Initiatives and Flexible Work Arrangements?

A critical component of work-life initiatives is having supportive workplace attitudes. A family-friendly organizational culture refers to the philosophy of a company that recognizes and supports family and personal needs. Supervisory support includes not only being sensitive in regards to family and personal demands but also allowing and encouraging workplace flexibility when the need arises.

Flexible work arrangements differ from the standard work week and allow employees some control over the daily or weekly scheduling of hours and/or the location of work. Examples include: flextime, compressed work week, job sharing, telecommuting and reduced hours.

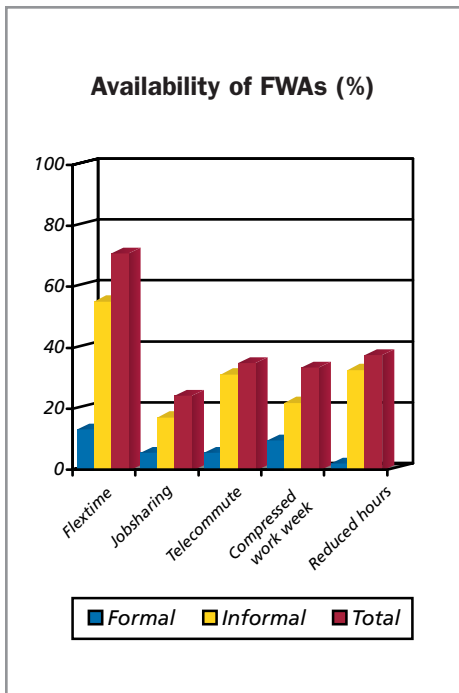
What's Available?

Flexible Work Arrangements (FWAs)

“We are very flexible. We will do whatever we can to accommodate our employees' personal schedule and problems.”

Manager, construction company, 24 employees

Over 80% of small companies provide at least one flexible work arrangement for their employees, mostly on an informal basis. The most prevalent alternative work arrangement is flextime.

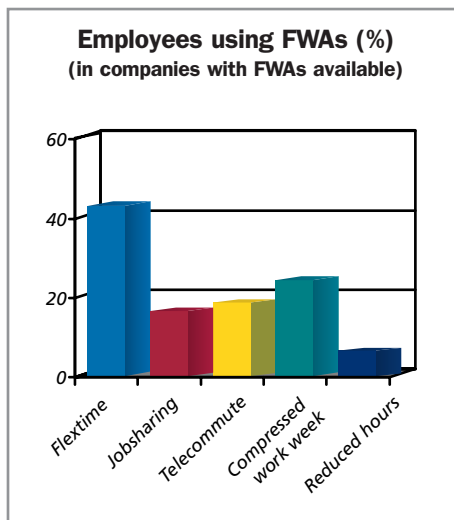


“We have total flex time for shop employees. As long as they work 40 hours, they can do it at times most convenient for them. It works well for us.”

Manager, agricultural company, 14 employees

What's Being Used?

Employees choose to use the flexible work arrangements that are available to them. In addition to being the most commonly offered FWA, flextime is the most utilized, with an average of 43% of workers on flextime.



Other Flexibility and Benefits

“Our policy is family first. On many occasions we alter schedules to accommodate employee needs.”

Owner, software company, 30 employees

- 83% of companies provide time off to care for sick family members
- 80% of companies provide extended health benefits
- in 70% of companies, time off for eldercare is available
- 21% of companies have an Employee Assistance Plan

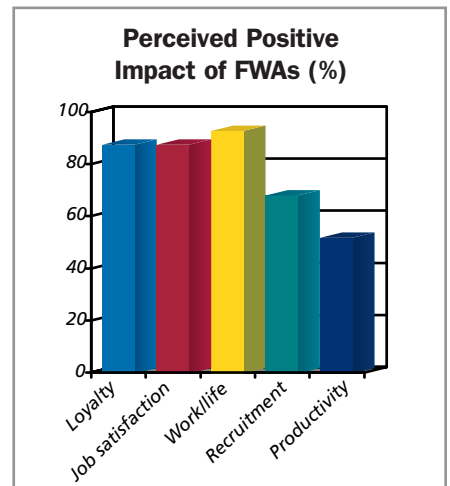
“We attempt to assist our employees in every way possible in an effort to balance work and family.”

Owner, manufacturing company, 26 employees

Supportive Attitudes

We asked owners of small companies if employers have some responsibility in supporting employees' efforts to balance their work and family commitments. Almost 3/4 of employers agreed!

Managers with supportive attitudes were significantly more likely to offer paid days off for personal and family illness, eldercare and volunteer activities. Owners of small companies also thought that flexibility in the workplace increased employee loyalty, job satisfaction, work-life balance and their ability to recruit new employees.



Only 1/4 of owners and managers of small companies perceived FWAs resulted in some decrease in productivity.

“All managers and myself try to keep abreast of personal problems employees are having, and leave is arranged or even suggested at times.”

Owner, manufacturing firm, 56 employees

We met owners and managers of top small businesses in 5 cities across Canada to discuss what is working and what challenges they face as they work to support their employees. Here's what they said:

KEYS TO SUCCESS, FLEXIBILITY & SUPPORT

Informal flexibility

In most companies, flexibility is determined according to employees' needs rather than formal practice or policy.

"When employees have got the flexibility to support their family, they're much better at their job and they have a much more fulfilling life, and happy employees mean happy clients."

Owner, professional services, 18 employees

Family and teamwork

Most small business owners look at their business as a team, and many try to create a family atmosphere.

"We have to have a family that includes our customers and our people. Unless we can all work together, then it's more difficult to compete, so you need that edge to be able to compete."

Owner, manufacturing company, 38 employees

Reciprocal support

Focus group participants reported that support is a two-way street between employers and employees, and that the support and flexibility they give are more than made up.

"A lot of time we end up having people work past regular working hours to meet deadlines. There's no way we could see people doing that and not allowing them to be flexible in their work hours in other ways."

Owner, multimedia company, 4 employees

Enjoyable workplace

Many owners and managers in small companies strive to make the business a good place to work.

"The thing that we try to strive for is to make people feel good about being at work."

Manager, manufacturing company, 98 employees

Individual consideration

Small business owners told us that it is important to deal with people on an individual basis and consider their requests and personal needs.

"When you have a small company, it's easier to talk to people about what's going on in their lives."

Owner, business services, 21 employees

Trust

Owners of small companies reported that their employees respect the flexibility and support provided to them, and that they generally use it judiciously.

"We don't control sick time and we don't control time off. We expect people to be responsible and I don't think anybody abuses it."

Owner, computer services, 11 employees

CHALLENGES

Assessing what's reasonable

Small businesses may be especially affected if an employee is not able to be at the workplace.

"If someone gets time off to do something, it affects everybody in the company. You have to balance the benefits of the individual with the responsibilities of the group as well."

Owner, manufacturing company, 38 employees

Supportive management

One of the challenges that small business owners talked about is the style of some managers who don't understand the importance of providing flexibility.

"The managers have to know that right down the line that's the way the company works."

Manager, manufacturing company, 98 employees

Need for communication

Employers reported that communication is a key to making flexibility work.

"We're very happy for people to be flexible and to work when they want, but we need to know about it."

Owner, scientific services, 10 employees

Fairness and equity

While individual consideration is considered important, small business owners are aware that other employees might question that support.

"There comes a special case when somebody needs some time off and you'd like to give it to them, but then if it's not in the handbook, then somebody comes along and complains, how come they're getting it?"

Owner, manufacturing company, 38 employees

Meeting customer demands

Small business owners acknowledge a tension between wanting to support employees and run their business.

"The greatest difficulty we face is being able to respond to our clients' needs and still give flexibility to our employees."

Principal, professional services, 25 employees

Trust with vigilance

Owners of small companies generally trust their employees to use the flexibility they offer wisely, but they are vigilant that it was not abused.

"You want to treat everybody as an adult and as a good employee and you don't want to be watching them all the time but some will take advantage and you really have to see that it does not become chronic."

Manager, manufacturing company, 18 employees

INNOVATIVE PRACTICES

Small businesses across Canada have found many ways to support their employees and increase loyalty, pride and morale as a team and fit their practices to their business needs. Here are a few of their ideas:

- Before and after school programs
- Trips for employees & their families
- On-site massages
- Tuition for employees and their families
- Birthday parties for employees
- Housecleaning services
- Friday barbeques for lunch in summer
- Parties and dinners
- Profit sharing
- Maternity leave top-ups
- Subsidies for childcare
- On-site nutritional food
- Potluck Fridays in winter
- Treasure hunts
- Home computer upgrades
- On-site yoga courses

How is my company doing? Can you answer YES to these questions?

- Do I have the flexibility and support to balance my personal and work life?
- Do employees in my company enjoy coming to work?
- Do employees in my company feel that they are listened to and trusted by management?
- Is there a good feeling of mutual support in my company?
- Do employees in my company have lots of flexibility and choice in managing family crises?
- Do we all work together as a team in my company?
- Is there good communication in my company?
- Has my company assessed its needs and the employees' concerns?

If you said yes to most of these statements, **CONGRATULATIONS!** – You are well on your way.

If you would like to learn more about creating a supportive work environment, contact:



Centre for Families, Work & Well-Being

Here's some of what we can do for you:

- **CONDUCT RESEARCH** - assess and evaluate your company's needs, programs (including EAPs) and policies
- **PROVIDE INFORMATION** on families and workplace practices that promote wellness, productivity and work-life balance
- **EDUCATE MANAGERS AND EMPLOYEES** in issues of work-life balance (including lunch and learn seminars), diversity, equity and other aspects of work, family and well-being



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Centre for Families, Work & Well-Being



Work Life Practices and Flexibility in Small Businesses

A Canadian Research Report

