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Workplace Equality in the Recession?

The Incidence and Impact of Equality
Policies and Flexible Working

Helen Russell & Frances McGinnity



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WORKPLACE EQUALITY IN THE RECESSION?

THE INCIDENCE AND IMPACT OF EQUALITY POLICIES AND FLEXIBLE WORKING

Helen Russell and Frances McGinnity

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FOREWORD

Workplace Equality in the Recession? examines the incidence and impact of equality policies and flexible working arrangements in Irish workplaces. This study draws on data from the National Workplace Survey 2009, collected after Ireland had entered a deep recession. Importantly, many of the findings can be compared with the results of a similar survey carried out in 2003.

The report finds a marked increase, between 2003 and 2009, in the proportion of companies that have equality policies and flexible working arrangements in place, particularly in the private sector. This finding holds even after accounting for changes in the composition of jobs and the composition of the workforce. These results suggest that the growing employer commitment to workplace equality seen in earlier years has been sustained, despite the very changed situation in the Irish economy and labour market.

Part of the explanation for such employer commitment is suggested by the study's findings on the impact of equality policies and flexible working arrangements. Having a formal equality policy impacts positively on employees' perceptions of workplace fairness, on workers' well-being and on organisational outcomes, including higher levels of organisational commitment and output innovation. Having more flexible working arrangements available in an organisation is associated with higher job satisfaction and increased output innovation. The beneficial outcomes for enterprises and for employees that were identified in the 2003 survey have been confirmed in 2009. Companies that capture these benefits through proactive equality and diversity strategies are strengthening their prospects for recovery and future growth.

On behalf of the Equality Authority I would like to thank the authors, Dr Helen Russell and Dr Frances McGinnity of the Economic and Social Research Institute, for their expert and insightful report. Thanks are also due to Laurence Bond, Head of Research at the Equality Authority, for his support to this project.

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The final responsibility for the contents of the report rests with the authors.

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EXECUTIVE SUMMARY

Research Aims and Approach

In the context of the current labour market crisis in Ireland, this report investigates the incidence and impact of equality policies and flexible working arrangements for those who are in employment. An equality policy is, broadly speaking, a formal statement of commitment to actions that seek to promote equality and to prevent discrimination in an organisation. The flexible working arrangements we investigate are: part-time work, flexible working hours or flexitime, job sharing and working from home.

There is a large literature that demonstrates how employment equality can help individuals to achieve their full potential and organisations to utilise, to best effect, the skills and productivity of their workforce. Flexible working arrangements can increase employee well-being and productivity. The pursuit of equality in the workplace and the implementation of flexible working arrangements may benefit both employees and organisations: the latter is particularly pertinent in the context of a recession.

The study examines the *incidence* of equality policies and flexible working arrangements in 2009 and the extent to which these have changed since 2003, the last date at which these issues were explored. How have employers responded – in relation to equality policies and flexible working arrangements – to the changed economic context? Do we find evidence of retrenchment or expansion? This report also examines the *impact* of equality policies and flexible working arrangements on employees and organisations in 2009, and how this has changed since 2003. Impact is measured in terms of employee well-being, job quality, employees' attitudes to their jobs, absenteeism and innovation.

The study addresses these issues using a large, nationally representative survey of employees: the National Workplace Survey 2009. The survey data were collected soon after the labour market entered a deep recession, and are compared here with those from a 2003 survey conducted during the economic boom. All the analysis is based on responses from employees.

Equality Policies: Key Findings

In 2009 some 84% of employees were working in an organisation with a formal equality policy, compared with 75% of employees in 2003. Coverage in the private sector has increased significantly since 2003, reducing the gap between public and private sector provision. There is clear evidence of a rise in the proportion of organisations with an equality policy, even after accounting for changes in the composition of jobs and the composition of the workforce.

Having a formal equality policy impacts positively on employees' perceptions of workplace fairness, on workers' well-being and on organisational outcomes, but has no discernible impact on job quality.

- Employees who work in an organisation with a formal equality policy are much more likely to consider that opportunities for recruitment, pay and promotion are fair and equal in their organisation, taking account of other factors.

- The presence of an equality policy is associated with somewhat lower levels of work pressure and work–life conflict, taking all other factors into account.
- Equality policies are associated with higher job satisfaction and higher employee commitment to their place of work (organisational commitment), as was the case in 2003. One important mechanism by which equality policies are associated with satisfaction and commitment is through their positive impact on employees' perceptions of fairness in their organisation.
- Equality policies are also associated with higher levels of output innovation in the previous two years, as reported by employees.
- The presence of an equality policy has no direct impact on absenteeism, either positive or negative.
- The presence of an equality policy has no discernible impact on job quality, measured as earnings and autonomy. This result is consistent with findings from 2003.

Flexible Working Arrangements: Key Findings

The study examines the incidence of flexible working arrangements, including both their availability in organisations and employees' personal participation in them. Some 30% of employees work flexible hours, including flexitime, and 25% work part time. Some 12% regularly work from home in normal working hours, and 9% are involved in job sharing.

The evidence shows that women are much more likely than men to work part time and are also more likely to job share, even after accounting for other factors. The gender gap is much narrower for home working and flexible hours, and becomes insignificant when other personal and job characteristics are taken into account.

There has been a marked increase in flexible working arrangements since 2003, both in terms of the number of workplaces operating such arrangements and the participation of employees in these arrangements. To what extent is this due to changes in the nature of jobs and the composition of the workforce in the period? There is clear evidence of a rise in working flexible hours, part-time work and working from home between 2003 and 2009, even after accounting for these changes. The more modest rise in the proportion of employees that are job sharing is accounted for by the shifting sectoral distribution of employment. As with equality policies, the rise in the incidence of flexible working arrangements has been particularly notable in the private sector.

Personal participation in any one of the flexible working arrangements under consideration has no discernible impact on the organisational outcomes reported by employees – job satisfaction, organisational commitment, output innovation and absenteeism. However, having a number of flexible working arrangements available in an organisation is associated with some positive organisational outcomes, namely higher job satisfaction and increased output innovation.

The impact of flexible working arrangements on employee well-being varies according to both the outcome measured and the particular type of flexible working arrangement. This pattern was also found in 2003.

Part-time working

- Of all the flexible working arrangements studied, part-time work has the strongest positive impact on employee well-being. Part-time work reduces work–life conflict and work pressure significantly, even when account is taken of personal characteristics, occupation and organisational characteristics.
- On the other hand, part-time workers have significantly lower levels of job autonomy, even when controlling for all other relevant factors. Part-time work is also associated with lower earnings, though this wage ‘penalty’ is much reduced once job and organisational characteristics are taken into account.

Job sharing

- Job sharing reduces work–life conflict, although the impact is modest and was not found in 2003. Participation in job sharing has no impact on work pressure.
- Job sharing, as with part-time work, is associated with lower job autonomy, even after controlling for other factors.

Flexible hours

- Employees who work in organisations where flexible working hours are available have lower work pressure and less work–life conflict. However, personal participation in flexible working hours is not associated with reduced work pressure or work–life conflict.
- Personal participation in flexible working hours is associated with increased autonomy, suggesting that those with autonomy over their working hours may also have more autonomy over other aspects of their job.
- A higher number of flexible working arrangements in an organisation is associated with higher hourly pay. Yet once we control for this and a range of other factors expected to influence pay, personal participation in flexible working hours is associated with lower hourly pay, particularly in the public sector. This may in part reflect institutional factors relating to flexitime.

Home working

- Working from home during normal working hours increases both work–life conflict and work pressure. This result was also found in 2003. As such, working from home may be seen more as a form of work intensification than as an arrangement for promoting work–life balance.
- Employees who regularly work from home tend to have higher earnings, though this is largely accounted for by the types of jobs they do.
- Those who regularly work from home also enjoy greater autonomy in their jobs and this effect remains after accounting for both personal and organisational characteristics.

Conclusion

The economic recession has created many challenges for workplaces and employers in Ireland. However, there is no evidence from this study that workplaces have responded by reducing formal equality policies or limiting the availability of flexible working options. This is likely to be good for employees, and the organisations they work for, given the generally positive impact of equality policies and flexible working arrangements on employee well-being.

1 INTRODUCTION

1.1 Introduction

Employment equality is an issue of continued importance in Ireland and internationally. In the context of increasing diversity, there is now a significant body of evidence of discrimination and inequality in the Irish labour market on the grounds of gender, family status, age, nationality/ethnicity and disability (see Bond et al., 2010). While state policies are extremely important in promoting equal opportunities and access to the labour market, the effectiveness of such policies can be influenced by strategies and culture at the workplace level. Employees experience state-level employment regulation and protection via their employer. Moreover, while state policies set a floor, organisation-level policies can exceed statutory provision, for example in the provision of flexible, family-friendly working arrangements and promoting best practice in diversity management. This report will build on the 2005 *Equality at Work?* study by O'Connell and Russell and on the main report of the National Centre for Partnership and Performance and the Economic and Social Research Institute's National Workplace Surveys 2009 – employee survey (O'Connell et al., 2010a).

Reduced inequality can have economic as well as social benefits. Debates have shifted from the moral and social justice arguments for equality in employment to an emphasis on economic arguments and business self-interest (Riley et al., 2008; Forum on the Workplace of the Future, 2005; Monks, 2007). Many authors have noted how discrimination can incur costs for an employer and is inefficient (Becker, 1971; Darity and Mason, 1998). If discrimination hinders optimal matching in the labour market for example, productivity reduction and profit loss will occur. Thus, employment equality is beneficial for individuals to achieve their full potential, for the economy to utilise the skills and productivity of the workforce efficiently and for society to increase social cohesion. Similarly for flexibility, business case arguments are that flexible working arrangements can increase employee well-being, improve productivity, reduce staff turnover and allow recruitment from a wider pool of applicants.

The business arguments for equality and flexibility are particularly pertinent in the context of recession. The 2009 workplace survey was conducted in very changed economic circumstances from the previous workplace survey, which was conducted in 2003 (O'Connell et al., 2004). In 2009 Ireland had plunged into the worst recession in the history of the state. As Hills et al. (2010) note, economic recessions can prove challenging for the equality agenda, although some groups may be more affected than others and the impact may not be straightforward. The nature and depth of the recession are discussed in more detail in Chapter 2 of this report, and in Section 2.5 of that chapter we reflect on how economic recession may influence equality and flexibility and their impact in the workplace.

One main theme of this report is the incidence and impact of equality policies. Equality policies are, very broadly speaking, statements or codes of practice outlining activities to promote equality and prevent discrimination in the workplace (see Section 1.2 for a more detailed discussion). Equality policies can be seen as the implementation of the legislation in practice. But which organisations have such policies and how do they differ from those that do not? Has the picture changed since 2003? And are there any tangible effects for employees or organisations? A key task of this report is to compare a range of outcomes for employees to see if there are any differences between working in an organisation with an equality policy and working in an organisations without one.

A second key theme of this report is flexible working arrangements. We are interested in employee-centred flexible work practices that are primarily used to allow the employee to balance work and family or home life, namely flexitime, part-time work, job sharing and

working from home. These arrangements are also seen as a subset of ‘family-friendly’ work practices (see Section 1.4 for further discussion). Once again the question is how prevalent are these flexible working arrangements in organisations in Ireland and has this changed since 2003? And are there any benefits for employees and/or the organisations they work for in having these flexible working arrangements?

We argue that it is useful to consider the incidence and impact of flexible work practices and equality policies separately, as they are conceptually distinct, though there is evidence to suggest that in practice they are strongly associated. In the next section we discuss equality policies: equality legislation in Ireland, measures to promote equality in the workplace and the prevalence of such policies. In Section 1.3 we consider previous evidence on the impact of equality policies on employees’ treatment at work and look at the impact of equality policies on organisational outcomes. In Section 1.4 we consider research on employee-centred flexibility: the differences between different forms of family-friendly workplace measures, state policies to facilitate work–life balance as the legislative context for employer-provided flexibility, and some evidence on the availability of and level of participation in flexible working arrangements. Section 1.5 reviews some key findings from the extensive literature on the impact of flexible working arrangements on employee well-being and outcomes like work–life balance and work pressure, as well as on organisational performance. In Section 1.6 we present an outline of the report, along with a brief discussion of the outcomes considered.

1.2 Equality Policies

Equality in employment and the labour market is critical to the promotion of a more equal society. The continuing need to focus on equality in the workplace in Ireland is illustrated by a substantial number of discrimination claims under the Employment Equality Act (Equality Tribunal Annual Reports; Banks and Russell, 2011); by evidence of unequal outcomes in the labour market (e.g. McGuinness et al., 2009; Barrett and McCarthy, 2007; O’Connell and McGinnity, 2008); by evidence on subjective reports of discrimination in employment on a range of grounds (Russell et al., 2008; Russell et al., 2011); and by experimental evidence of discrimination in recruitment (McGinnity et al., 2009).

The importance of equality is recognised in both national and European Union legislation. There is strong Irish and international legal support for the protection of employees against unfair discriminatory treatment by organisations and employers. The European Commission has issued special directives to address workplace discrimination and equality for all employees in the EU and includes equal treatment on the grounds of racial and ethnic origin and disability.¹ The Commission has also gone to lengths to ensure that gender equality between men and women is observed and stipulates equal rights on the basis of access to employment, working conditions, pay, promotion, training and membership of occupational social security schemes.²

The primary legislation in Ireland for workplace equality is the Employment Equality Act 1998, the Equality Act 2004 and their associated amendments. These Acts provide an outline of the unlawful discrimination of employees on the grounds of gender, civil status, family status, age, race, religion, disability, sexual orientation or membership of the Traveller Community. A code of practice in relation to harassment (including sexual harassment), which was inserted into the Employment Equality Act 1998 in 2002, outlines the definitions of

¹ See Council Directive 2000/78/EC: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2000:303:0016:0022:EN:PDF>.

² See Council Directive 2006/54/EC: http://europa.eu/legislation_summaries/employment_and_social_policy/equality_between_men_and_women/c10940_en.htm.

such behaviour, workplace policy formulation and the complaints procedure for dealing with such issues.³ The Equality Authority was established in 1999.

It is a statutory requirement that Irish employers comply with the equality provisions of the Acts. In many cases an employment equality policy is developed and implemented, though employers are not required to have such a policy. The Equality Authority (2001) defines an employment equality policy at enterprise level as 'a statement of commitment identifying areas of activity to be developed to prevent discrimination and to promote equality'. The policy should outline the grounds protected against discrimination under the Employment Equality Acts 1998–2011. It should outline how equality is to be promoted and discrimination combated in aspects of employment such as recruitment (advertising, interviewing and selection), job orientation and induction, conditions of employment (pay, work–life balance, job appraisal, redundancy) and career progression. It should set out the system for implementing the policy. Organisations may also formulate a similar policy or code of practice in terms of harassment and bullying and outline grievance procedures in relation to resolving such issues.

In addition to the Equality Authority, the Irish Business and Employers Confederation (IBEC) provides strong support and guidance to Irish businesses in relation to incorporating an equal opportunity strategy within their organisations. IBEC provides information on equality law and employee rights in relation to discrimination. Specifically, it offers a range of sample policy documents, guidelines, toolkits and training courses to members (employers) in the areas of equal opportunities, diversity management and work–life balance.⁴ The Irish Congress of Trade Unions (ICTU) recently reviewed the current state of workplace equality with special reference to gender and racial pay inequality and low labour participation rates among Travellers and people with disabilities. It recommends adopting a 'twin track' approach to equality policy whereby organisations focus on both the informal workplace culture as well as the formal legal domain (Munck and Hegarty, 2009; ICTU, 2008).

1.2.1 Measures to promote equality in the workplace

Since the initiation of the primary Employment Equality Act in 1998 there have been a number of strategic policy measures to enhance and further promote equal opportunities within Irish organisations. In 2005 the government hosted a Forum on the Workplace of the Future in which it drew up a National Workplace Strategy to assist enterprises to develop a new business model that would produce a better quality of product or service and enhance productivity and competitiveness. Promoting diversity and equal opportunities in a changing workforce was one of its main concerns. The Forum argued that 'diversity is an increasingly important instrument for attracting and retaining talented employees and, managed well, can be a significant source of competitive advantage' (Forum on the Workplace of the Future, 2005, p. 61). The report prioritises access to opportunity as one of the strategic areas to be addressed, and discusses the importance of best practice initiatives for the inclusion of specific social groups: namely, female workers, people with disabilities, older workers and immigrant workers. The report also advocates the introduction of a wider range of workplace practices; that is, equality and diversity are seen as part of a package of employee-centred workplace practices.

The Equality Authority has also been instrumental in aiding the development of employment equality policy with a number of initiatives, programmes and campaigns to tackle inequality for Irish employees. The Equality Authority has an Equality Mainstreaming Unit, part-funded by the European Social Fund, to promote equality mainstreaming approaches in workplaces.

³ See Employment Equality Act 1998 (Code of Practice) (Harassment) Order 2002: www.irishstatutebook.ie/2002/en/si/0078.html.

⁴ See www.ibec.ie.

The Unit has funded small and medium-sized enterprises across a wide range of sectors to develop equality policies, undertake equality training and establish an equality infrastructure. It also supports sectoral approaches aimed at developing equality competency within particular sectors (hospitality, retail, mushroom-picking). In addition it works with labour market programme providers to develop equality mainstreaming approaches aimed at combating labour market disadvantage among certain groups under the equality legislation.

The Equality Authority operates a Workplace Diversity Initiative, with funding from the Office for Promoting Migrant Integration. This Initiative funds IBEC to support employers to manage workplace diversity effectively. It supports ICTU to get individual trade unions to act as champions of workplace diversity. In addition it organises training and awareness-raising for local business networks on workplace diversity.

Enhanced employment equality legislation and the policy initiatives by employers, trade unions and other state agencies mean that employer-level equality policies are common in the UK and Ireland, but there is no harmonised information on such policies across Europe. In the UK, Riley et al. (2008) found that in 2004, 66% of all workplaces had a formal written policy on equal opportunities/managing diversity – 93% of public sector workplaces and 62% of private sector workplaces. This figure had increased slightly from 1998 when it was reported that 65% of firms in the traded sector had an equal opportunities policy. In Ireland, the 2003 National Workplace Survey found that 75% of employees were working in organisations with a formal equality policy at their workplace (O’Connell and Russell, 2005). These policies were more common in the public sector and in larger organisations.

The prevalence of equality policies in Ireland in 2009 and changes in the distribution of such policies are investigated in Chapter 3 of this report. We also discuss differences that may arise between employers reporting that they have such a policy and employees reporting that there is one in their workplace, and how equality policies may vary in their implementation. In some organisations an equality policy is little more than a written document, whereas in others a range of procedures, including monitoring, are in place to promote equality (Dex and Smith, 2001).

1.3 The Impact of Equality Policies

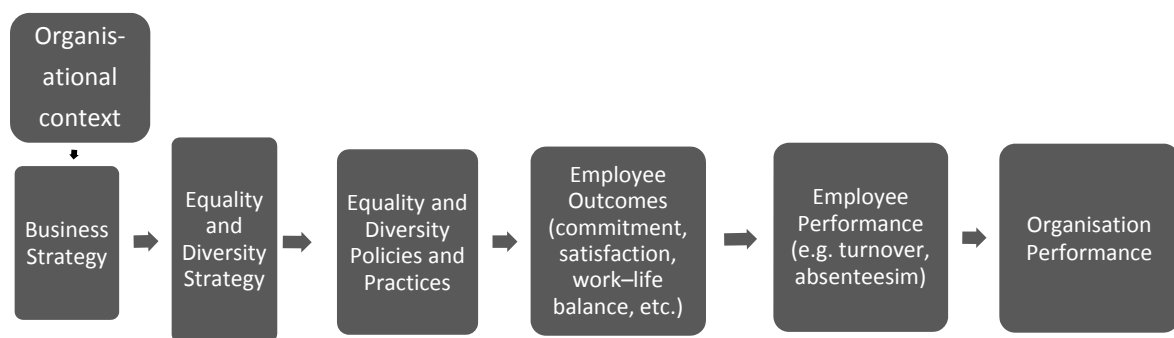
Are equality policies effective? This section considers previous evidence on the impact of equality policies on employees’ treatment at work. Is there evidence of less discrimination, more equal opportunities or increased well-being in organisations with an equality policy? We also consider the impact of equality policies, or other indicators of equal treatment (e.g. greater diversity), on employee and organisational performance. Is there a business case for equality policies?

Monks (2007), in her review of the international evidence that links equality and diversity measures to employee and organisational performance, devised a model called the ‘equality-diversity value chain’ (see Figure 1.1). In this model, equality policies are embedded into a firm’s organisational strategy and values, which eventually gives rise to improved employee relations, increased innovation and creativity, and an enhanced corporate image, which in turn will be attractive to talented applicants.

There are several challenges associated with accurately measuring the impact of equality policies. Ideally outcomes would be measured before and after the introduction of the policy, so that any outcomes could be directly attributable to the policy. Often, however, the data are cross-sectional, allowing researchers only to point to an association between employee or business outcomes and equality policies, rather than being able to assert that equality policies increase or decrease productivity or employee welfare. There may be costs

associated with implementing such a policy, and these may be difficult to quantify. Sources of evidence also vary: researchers often rely on either employers' or employees' perceptions of these outcomes, rather than a direct measure. For issues such as job satisfaction or work pressure, the outcomes are inherently subjective, but in others, such as productivity, perceptions are used in place of objective information. In both cases reports may be subject to some bias (see Bond et al., 2010, for further discussion).

Figure 1.1: The equality-diversity value chain



Source: Monks (2007), adapting the HRM performance chain.

1.3.1 Employees' treatment at work

There are relatively few studies that specifically examine the impact of equality policies on employees' treatment at work. Two studies use the Workplace Employment Relations Surveys (WERS) of 1998 and 2004 in the UK. Noon and Hoque (2001) examined the 1998 survey, based on over 28,000 British workers, to assess the role of equality policies in the extent of equal treatment by ethnic minority and gender. Equal treatment was measured as the extent to which an employee had held discussions with a line manager in the previous twelve months regarding job satisfaction, chances of promotion, training needs and pay.⁵ After controlling for individual and organisation characteristics, Noon and Hoque (2001) found that in workplaces with no equality policy, ethnic minority men and ethnic minority women received unfair treatment, compared with their White counterparts, with ethnic minority men doing badly with regard to job and pay discussions and ethnic minority women across all four measures. In contrast there was no significant difference in treatment between White and ethnic minority employees in organisations where there was a formal equal opportunities policy.

A second study, using the WERS data from 2004, focused on the impact of equal opportunity policies on the pay of disabled workers (Jones and Latreille, 2010). It found that over 55% of firms in the UK had a written policy that included disability, although employers and employees differed in their estimates of the proportion of employees who had a disability.⁶ Matching employer and employee data allowed them to control for fixed workplace effects in a regression framework. The results show that while overall disability is significantly and negatively correlated with pay, disabled employees in workplaces that have

⁵ The equality policy variable was measured by the presence of a formal written policy on equal opportunities, or a specific policy that forbids discrimination on grounds of race.

⁶ The authors note a discrepancy between employers' and employees' responses in assessing the size of the social group and suggest that this may be due to employee over-reporting or manager under-estimation (Jones and Latreille, 2010).

a comprehensive equality policy earn almost 9% more than those employed in organisations without any policy.

Fevre et al. (2009) surveyed over 4,000 employees across the UK on issues of unfair treatment at work such as discrimination, bullying and negative behaviour. They found that when an organisation had a formal equal opportunities policy, its employees were about half as likely to report incidents of unfair treatment or discrimination. The effect of equality policies was also examined in a recent study of pregnancy-related discrimination in Irish workplaces (Russell et al., 2011). A survey of 2,300 women found that those who worked in an organisation with a formal equality policy were much less likely to report unfair treatment during their pregnancy (28%) than those working in organisations with no such policy (40%). This effect remained significant when the authors controlled for a wide range of organisational, job and personal characteristics. The presence of an equality policy was also associated with fewer problems relating to maternity leave.

Another recent paper about Ireland, based on the 2009 workplace survey used in this report, examines the impact of high performance work practices on employee well-being (O'Connell et al., 2010b). The authors find that what they term 'progressive HR policies', anti-bullying and equality policies, are associated with higher earnings and reduced work pressure. They also note that equality and anti-bullying policies often go hand in hand with a range of employee-centred practices such as consultation and employee participation in decision making.

Thus, the evidence suggests that, in general, the presence of an equality policy is associated with more equal treatment and less inequality and discrimination. Typically these policies are also associated with increased well-being; this is particularly true for minority or vulnerable groups. Equality policies may also be associated with other employee-centred practices.

1.3.2 Organisational outcomes

As noted in the introduction, in recent years researchers have tried to establish if there is a business case to be made for the adoption and practice of equality or diversity policies in corporate firms and organisations. Perotin and Robinson (2000) argue that equality and anti-discrimination policies can act to improve organisational outcomes in a number of ways. First, efficiency and productivity can be improved by hiring from a wider pool and creating a better match between individuals and jobs. Second, better incentives for discriminated groups should improve their productivity and increase their job satisfaction. Third, creating a sense of fairness may improve general morale.

What are business outcomes and how are they measured? Business outcomes are typically financial performance, labour productivity, the quality of a product or service and labour turnover. In investigating the business case, researchers often consider wider benefits to the organisation that may feed into business performance, such as employee morale and organisational commitment. As noted above, there are challenges associated with accurately measuring the business impact of equality policies. It would be valuable to have before and after comparisons in order to assess organisational outcomes, however, this is rarely possible. Often the studies rely on managers' perceptions of employee or business performance. While valuable, ideally this would be supplemented with objective data on financial performance.

International research has been divided on whether the use of diversity management and equality policies has a positive impact on business performance. Perotin and Robinson (2000), using the UK's WERS 1998, find that in workplaces with an equal opportunities policy, managers rate productivity as higher. Moreover, equal opportunity policies have a

greater impact on productivity in workplaces that have a more diverse workforce, particularly in relation to gender and ethnicity. This study also suggests that the negative association between the presence of minority groups in an organisation and productivity could be improved by the implementation of equal opportunity policies. In Ireland, a study by Flood et al. (2008) of managers in 132 organisations also found evidence of a positive link between equality policies and business outcomes. Senior managers were questioned on their use of seventeen diversity and equality practices, such as the presence of a formal equal opportunities policy and the monitoring of recruitment, promotions and pay rates across different grounds (gender, age, ethnicity, etc.). When other variables such as company size and industry sector were controlled for, the results showed that diversity and equality systems accounted for 7.9% of variance in workforce innovation and 6.5% in labour productivity.

Indirect evidence on the business case for equality policies can also be garnered from studies of employee outcomes, such as job satisfaction and loyalty to their employer. This is the approach taken when information is collected from employees rather than employers. Previous empirical cross-sectional research in Ireland indicated that the presence of a formal equality policy in the workplace was strongly associated with higher levels of job satisfaction and organisational commitment, even when all other relevant variables were taken into account (O'Connell and Russell, 2005).

Other studies have found more mixed results on the association between equality policies and business performance. Gray (2002) used the UK WERS 1998 management questionnaire to examine the relationship between six equal opportunity policies and eight business outcomes. She found four positive relationships: equal opportunities policy on gender was associated with an above-average financial performance, reviews of selection procedures were also positively associated with financial performance and were associated with reduced absenteeism, and activities to promote the recruitment of women returners were associated with above-average labour productivity. She also found four negative effects, including two relating to higher labour costs. In another British study, Dex et al. (2001) found no association between the presence of an equality policy and business performance (financial performance, labour productivity, quality of product or service, sales, absenteeism), apart from with labour turnover, which was higher amongst those workplaces with stronger equal opportunities policies.

Riley et al. (2008), in their study based on the UK WERS 2004, concluded that there were some statistically significant relationships between subjective business performance and equal opportunities policies, but these were unlikely to reflect the causal impacts of policy. They also noted the variation in the business impacts, with some employers deriving net benefits from implementing equal opportunities policies and practices, while others saw a cost; though on average there was a small positive effect. Their evidence does not support the notion that equal opportunities and practices cost the private sector profits.

Other studies have examined the perceived impact of diversity policies on organisational outcomes. A 2008 survey of 335 businesses from the European Business Test Panel showed that 56% of companies reported that they had some form of diversity policy in operation and of those, 59% agreed that such policies had a positive impact on their business, especially in relation to improvements in innovation (European Commission, 2008). In the same study, a more detailed survey of companies that had diversity policies found that 82% of participants agreed that diversity led to the creation of new products and 92% indicated that it led to innovation in staff recruitment and human resource management (European Commission, 2008).

Perceptions of fairness and equality may also improve productivity and business outcomes. Avery et al. (2007) investigated the role of employees' perceptions of diversity and

discrimination in accounting for levels of absenteeism in workplaces in the US. For Black employees, among whom absenteeism is higher on average, the levels of absenteeism decreased according to positive perceptions of diversity. Absence rates were further lowered when a Black worker also had a supervisor of a similar racial background. The authors failed to detect any association between perceptions of diversity and absenteeism for Hispanic and White employees.

In terms of the business case for equality policies, there is some evidence to suggest that the presence of equality policies may be positively associated with business outcomes, but the evidence is not strong, and longitudinal evidence is absent. Some research suggests that equal opportunity policies tend to have a greater impact on productivity in workplaces that already have a more diverse workforce, particularly in relation to gender and ethnicity. There is also some evidence that equality policies are positively linked to employee commitment. Evidence from employer reports in a range of European countries suggests that diversity has a positive impact on innovation. Perceptions of equality and discrimination may play a role in understanding employee motivation and productivity.

1.4 Research on Flexibility

In this report we are interested in employee-centred flexible work practices that are primarily used to allow the employee to balance work and family or home life, namely flexitime, part-time work, job sharing and working from home. These practices are only a subset of a broader range of flexible or family-friendly work practices, which can include both statutory and employer-provided flexibility, formal and informal, and also practices such as time-off at short notice for family reasons and making personal phone calls during working hours.

We consider on-going work practices for those in employment, not the impact of breaks from employment such as maternity or carer's leave, although these are clearly a form of flexibility over an employee's working life. We also consider the impact of long working hours and unsocial hours on employee well-being, but these are not the primary focus of analysis. Clearly different jobs may accommodate different types of flexibility more easily than others, and different people may require different forms of flexibility, so we look at the impact of participating in each type of flexible working arrangement separately.

While the focus in this report is on firm-level provision, it is useful to consider state policies to facilitate working and caring, as this is the legal and policy context in which firm-level policies operate. There is no legal right to work part-time hours in Ireland, in contrast to those European countries that introduced a guaranteed right to work part-time hours for all employees (Germany, Holland, Finland, Belgium) or for parents (France) while implementing the 1997 European Directive on part-time work (Russell et al., 2009a). The Irish response to this Directive, the Protection of Employees (Part-Time Work) Act 2001, emphasised improving the quality of part-time work, rather than granting a right to work part time (O'Connell et al., 2003). Part-time work, job sharing, flexitime and working from home are all at the discretion of the individual employer. In general, low statutory working-time regulation and less of a role for trade unions allows employers in Ireland more power in shaping working time than is the case in countries such as Germany and the Netherlands (O'Reilly, 2003).

The Parental Leave Act 1998 introduced a statutory entitlement for both parents to 14 weeks of unpaid leave.⁷ The European Directive on which this Act is based allowed individual countries to decide whether the leave should be paid or unpaid. Ireland chose to have unpaid parental leave. This lack of payment means that many parents cannot afford to take

⁷ This Act also gives all employees limited paid leave for family emergencies (force majeure leave) – three days in twelve months.

parental leave, and fathers are less likely to take it, and take-up is low compared with other European countries (Plantenga and Remery, 2005). In fact, parental leave is the closest 'de facto' part-time work for parents in Ireland, though whether this can be taken weekly is at the discretion of the employer, and each parent is limited to 14 weeks. A new Directive on parental leave, agreed by the Council of Ministers in 2010, stipulates a longer period of parental leave – four months for each parent – and also provides a right for employees returning from parental leave to request flexible working and/or reduced hours for a set period of time (Council Directive 2010/18/EU). The Directive is supposed to be transposed into law by March 2012, although provision may be sought for an additional year in Ireland. The Directive does not require the introduction of paid parental leave, and it is likely that parental leave in Ireland will remain unpaid.

Compared with most European countries, childcare provision for pre-school children in Ireland is uncoordinated, variable in quality and very expensive. There is also no state support for after-school childcare and a scarcity of provision (Russell et al., 2009a). Paid leave from work around the birth of a child now compares well with most European countries, at least for mothers.⁸ by 2007 paid maternity leave was 26 weeks, and unpaid leave 16 weeks. Carer's leave allows employees to take a break of up to 104 weeks to provide full-time care for a sick or disabled person; carers may also be entitled to a modest payment.

How does Ireland compare in terms of the incidence of flexible working arrangements? International evidence on the incidence of flexible working arrangements is limited and tends to come from national surveys, which, because they are not harmonised, may not provide comparable data. An exception is an ad hoc module of the European Labour Force Survey on reconciliation of work and family life in 2005, which considered flexibility in scheduling and working from home, two forms of employee-centred flexibility (Eurostat, 2009). This report estimated that around 70% of Irish employed persons aged between 25 and 49 years can vary the start/end of their working day for at least one hour for family reasons, which is similar to the EU27 average, though most countries in the EU15 report higher rates than this (Eurostat, 2009). This question is phrased differently from, and is broader than, the question in the National Workplace Survey, but it gives a sense of how Ireland compares. Around 65% of employed persons in this age group in Ireland report that they can take time off work for family reasons, which is similar to the EU15 average and slightly higher than the EU27 average (62%). For teleworking, or working from home, the figures are much lower. Data from 2006 suggest that on average around 12% of the 25 to 49 year olds in the EU27 either usually or sometimes work at home. Estimates for Ireland are higher for men (15%) and lower for women (8%), though stated as provisional.

Employer policies can also include provision of additional maternity or paternity benefits. Russell et al. (2011) found that 48% of women received an additional maternity payment from their employer and the receipt of such 'top-up' payments was more common among women in the public sector, in larger organisations, in organisations with an equality policy and in those that provided time off work for family reasons.

The share of part-time work in Ireland, at around 21%, is similar to the EU average for 2009.⁹ The rate for men (10% of employment) is slightly higher than the average for the Eurozone countries (7.3%); the rate for women (33% of employment) is lower than the Eurozone average (34.5%). The sectors in which part-time work is most common vary somewhat across countries, but, in general, health, retail and education are sectors with a high proportion of part-time jobs (Eurostat, 2009).

⁸ There is no legal entitlement to paternity leave in Ireland.

⁹ See Eurostat: <http://ec.europa.eu/eurostat>. Part-time work is self-defined by the respondent in most European labour force surveys.

Details of other flexible working arrangements are more commonly available in British survey data than in other European countries (Hegewisch, 2009). In the UK, public sector employers are more likely to have introduced flexible working than private sector employers, and organisations where women are the majority of employees are more likely to have significant levels of flexible working than employers where men are in the majority (Hegewisch, 2009; Whitehouse et al., 2007). In terms of detailed sectors, flexible working is typically less common in sectors such as manufacturing and construction (Ellison et al., 2009), which tend to be highly male dominated.

1.5 Research on the Effects of Flexible Working Arrangements

In this section we consider the impact of flexible working arrangements on outcomes for both employees and the organisations they work for. The main employee outcomes considered are those we analyse in the report: work pressure, work–life conflict, pay and autonomy. Training and promotion are also briefly considered. Organisational outcomes considered are both business outcomes such as profits and productivity, and associated organisational outcomes such as organisational commitment and absenteeism.¹⁰ The aim here is to give an overall flavour of the findings; more detailed information on specific findings is given at the beginning of each chapter.

1.5.1 Impact on employee well-being

Most of the evidence on the impact of flexible working arrangements on employee well-being is for part-time work, though an increasing number of studies also look at the impact of employees' control over their working time (Kelly et al., 2008). A few studies consider working from home (Hyman et al., 2003). Very few look at the impact of job sharing (one example is Hayman, 2009). Given variations in the impact of these forms of flexibility (see Russell et al., 2009b), we consider each separately.

A body of research has considered the impact of part-time work on work–life conflict, job satisfaction, pay and autonomy. Part-time work is typically associated with lower pay than full-time work, although the extent of the penalty varies across countries: the part-time pay gap is particularly marked in the UK and the US and is much lower in the Scandinavian countries and Germany (McGinnity and McManus, 2007; Bardasi and Gornick, 2008; Gregory, 2010). McGinnity and McManus (2007) attribute these differences in the pay penalty to a combination of family policy, welfare state provision and labour market structure. Autonomy, or control over one's job, is lower for part-time workers in the UK, though not in France, Spain, Germany or Sweden (Gallie, 2007). Studies have also clearly shown that part-time work is typically associated with higher job satisfaction (Booth and van Ours, 2008) and lower work pressure and work–life conflict (Gornick and Meyers, 2003; McGinnity and Whelan, 2009), though this was not found in the analysis of the 2003 National Workplace Survey (O'Connell and Russell, 2005). See further discussion of the 2003 results in Chapter 6.

Similarly earlier work in Ireland indicated trade-offs associated with part-time work. Part-time work was associated with significantly lower levels of work pressure and work–life conflict than full-time work (O'Connell and Russell, 2005; Russell et al., 2009b). However, there was evidence of a small pay penalty. In 2003 O'Connell and Gash found a pay penalty among part-time workers that was greatest for those who worked the shortest hours (fewer than 15 hours per week). O'Connell and Russell (2005) found that those working part time in Ireland have lower hourly earnings and report lower autonomy compared with employees with similar personal characteristics, although these differences are explained by the nature of

¹⁰ Organisational commitment is sometimes seen as an employee outcome and sometimes as an organisational outcome. Here it is treated as an organisational outcome.

the occupations, organisations and sectors in which part-time work occurs. More recent analysis of the gender pay gap (McGuinness et al., 2009) based on the 2003 National Employment Survey found that women working part time received lower financial reward to their human capital (education level, proxied work experience and job tenure) than men working part time, although the returns received by part-time workers relative to full-time workers were not reported. The study also found that women's greater involvement in part-time work widened the gender pay gap by 1.9%.

Employees' control over their working hours has been shown in a number of studies to have a positive impact on employee well-being, particularly in reducing work-life conflict (Fagan, 2003; Kelly et al., 2008). However, White et al. (2003) show that while flexible working hours in general reduce work-life conflict, there is some evidence that men may use flexible starting times to increase working hours, thereby exacerbating work-life conflict. Employee control, therefore, is not always positively associated with benefits for employees. In almost all cases working unpredictable hours, or working overtime at short notice, increases work-life conflict (McGinnity and Calvert, 2009).

In their study of software developers in Scotland, Hyman et al. (2003) found that working at home was associated with high levels of job control but also high levels of work-life conflict. These findings are echoed in the work of Russell et al. (2009b) for Ireland, who found, using 2003 data, that both work pressure and work-life conflict were higher for employees working at home, even after controlling for a range of factors. A Dutch study found ambiguous effects of home working on work-life conflict for both men and women: home working allowed employees to meet demands from home, but also facilitated more overtime. The overall effect on work-family conflict was not statistically significant (Peters et al., 2009). A British study has found increased job satisfaction among managers and professionals working at home, and reduced family-to-work conflict, but once again no significant impact of home working on reducing work-to-family conflict (Redman et al., 2009). Indeed a number of studies highlight the challenges of flexible working arrangements – either flexitime or working from home – for managerial posts. In particular, if flexible working is not associated with reduced workloads it can cause problems for managers (Hegewisch, 2009).

Very little research has been done on job sharing and its impact on employee well-being. Previous research in Ireland did not find any association between job sharing and work-life conflict, work pressure, earnings or autonomy, once personal and workplace characteristics have been taken into account (O'Connell and Russell, 2005; Russell et al., 2009b). Research in New Zealand also found no effect of job sharing on work-life balance (Hayman, 2009).

Evidence on the longer-term impact of flexible working arrangements, such as on promotion and lifetime earnings, is also limited, although women in part-time jobs have been found to receive less training from their employers (OECD, 1999), which damages their opportunities for promotion and career development (O'Reilly and Fagan, 1998). More recent work has examined the impact of part-time work experience on earnings, using longitudinal data. Connolly and Gregory (2009) show how the earnings return to part-time work experience is low, so future earnings will be damaged by part-time experience. However, the major impact on pay in the UK occurs when the switch from full-time to part-time work is accompanied by occupational downgrading and change of employer: a switch to part-time work within the same job carries a much smaller wage penalty.

Subjective evidence suggests a detrimental effect of flexible working on careers: the second work-life balance study in the UK exemplified the belief that availing of flexible working policies had a negative effect on one's career (Redmond et al., 2006). In Ireland, Drew et al. (2003) reported that colleagues saw specific disadvantages for employees availing of leave, which included missed training opportunities and the loss of promotion opportunities. Russell

et al. (2011), in research on women's return to work following childbirth in Ireland, found that women who had reduced their hours of work (by 8 or more hours) were more likely to believe that their opportunities for training and promotion had decreased (34% and 41% respectively) compared with women who continued to work the same number of hours before and after the birth of their child (16% and 19%). Similarly, women who reduced their hours were four times more likely to report that their level of responsibility had declined and three times more likely to say that their control over their work had declined.

A number of studies on the impact of family-friendly arrangements on employee outcomes stress the impact of the workplace culture or the ethos of the organisation (Dex and Smith, 2001; Kelly et al., 2008). The attitude of the direct line manager is particularly important in improving employee well-being (Glass and Estes, 1997; Kelly et al., 2008) and also in facilitating the use of family-friendly working arrangements (Kelly et al., 2008). While the number of family-friendly arrangements in place in an organisation does not always fully capture the workplace culture, it is usually a strong signal of it. In Ireland, a study looking at discrimination during pregnancy in Ireland found that women in organisations with a greater number of flexible work practices were less likely to experience unfair treatment during pregnancy, were less likely to report problems relating to maternity leave, and were also less likely to view pregnancy as a crisis (Russell et al., 2011). O'Connell et al. (2010a) found that the availability of a higher number of flexible working arrangements was associated with higher job satisfaction, higher autonomy and lower work-life conflict. Clearly it is important to consider not only direct employee participation in family-friendly working arrangements on well-being but also the extent of such arrangements in the organisation.

1.5.2 Impact on organisational performance

Research has increasingly focused on the business case for flexibility, with researchers investigating whether flexible working arrangements have any effect on business performance. A common assumption is that the adoption of flexible working arrangements typically entails costs for organisations implementing them, so it is important that these costs are offset by improved organisational performance. That said, the costs are often difficult to quantify, and may vary considerably according to the characteristics of the organisation (Riley et al., 2008). As is the case for equality policies, an important issue is that the research on the business case for flexibility is often based on cross-sectional data, which allows researchers to point to an association between business outcomes and flexible work practices, but not to assert that flexible work practices increase or decrease productivity. Moreover, while some studies measure profitability and productivity directly, sometimes researchers report employers' perceptions of these outcomes. Other research using employee surveys looks at outcomes in a more indirect way, using employee well-being measures that are associated with business outcomes, such as organisational commitment and job satisfaction.

In the UK, Dex and her colleagues conducted secondary data analysis on managers' responses in the WERS 1998 (Dex et al., 2001). This survey gathered cross-sectional data during the period from 1997 to 1998 concerning flexible working arrangements such as flexitime, parental leave and job sharing. Employers were questioned about their assessment of business outcomes in terms of financial performance, labour productivity and the quality of product or service. The most salient evidence from the survey indicated that having a family-friendly ethos was linked to above-average financial, labour productivity and sales performance, while flexible working policies were associated with small amounts of improved performance generally.¹¹

¹¹ Family-friendly ethos is measured as managers' responses to the statement: 'It is up to individuals to balance their work and family responsibilities' (Dex et al., 2001).

Riley et al. (2008), analysing the 2004 WERS data, found some evidence to suggest that there were modest associations between some family-friendly practices, such as working from home, on subjective and objective measures of labour productivity and operating profits. They also found that the positive impact of family-friendly policies varies substantially across companies. A study conducted on behalf of the German government concluded that the implementation of comprehensive work–family programmes led to an estimated ‘productivity increase in 0.1 per cent per hour per employee’ (Prognos, 2005). Other research has looked at absenteeism as a business outcome: Dionne and Dostie (2007), using a large matched employer–employee dataset in Canada, found that workers who participated in working from home or a reduced working week had statistically significant lower levels of absenteeism, while employees involved in shift work or in a compressed working week had higher rates of absenteeism.

Longitudinal research is much less common. Dex et al. (2001) conducted a longitudinal analysis using the FTSE 100 companies. Their findings were somewhat limited by data constraints, though they concluded that ‘the evidence on whether family-friendly policies affects the financial or productivity performance of FTSE100 companies is not strong’ (Dex et al., 2001, p. 31). In Germany, Giardini and Kabst (2008) conducted two longitudinal studies that linked the degree to which organisations adopted work–family practices to a number of business outcomes in the same organisations five years later. They found that a comprehensive bundle of flexible workplace practices was negatively related to absenteeism, but found no association between these work–family practices and either perceived general performance or perceived financial performance.¹²

Some studies argue that family-friendly working arrangements do not have a direct impact on business performance, but operate through employee commitment. Using 2004 WERS data, Woods and de Menezes (2010) combined employee and management responses to measure the effects of family-friendly policies on workforce commitment. They found that such flexible working arrangements may enhance employee commitment to the organisation and, therefore, lead to a higher level of product quality and labour productivity. However, they found no direct evidence of family-friendly policies reducing staff turnover or absenteeism.

In their analysis of a multi-organisational database, Johnson et al. (2008) found that part-time workers had higher engagement levels with their employer and lower stress and burnout scores than full-time employees. Furthermore, they discovered that workers with flexible hours had significantly higher levels of engagement with their work than employees without flexibility, and that working more than 50 hours per week was associated with decreased worker engagement and more experiences of stress and burnout. They concluded that the ‘flexibility effect’ protects the workers’ well-being not only by adapting work and personal demands, but also by maintaining productivity and employee effectiveness through reducing long working hours.

The bundling of family-friendly workplace practices with other employee-centred practices has also been highlighted. Watson et al. (2010), using factor analysis on a survey of employers in 2009 in Ireland, found that arrangements for work–life balance tend to cluster together with other workplace practices promoting employee involvement, such as employee involvement in decision making and problem solving, and employee discretion. Their results also show that when employee involvement is combined with other policies such as human capital development and co-working, the likelihood of a small firm achieving product innovation is almost three times more than when using human capital development alone.

¹² One challenge with this kind of design is that other factors may have changed in the intervening period that are not captured in the survey data.

In summary, there is some evidence to suggest that productivity and profits are enhanced by the use of flexible working arrangements; the evidence is stronger on their role in increasing commitment, which is how the effect may operate. However, improved commitment is not always found for those directly participating in flexible working arrangements: sometimes the overall ethos or climate of the organisation, or the number of flexible policies available, matters more than whether the employee is directly participating. Family-friendly working is typically associated with reducing long working hours, and this is an important point for investigating their impact, given the role of long hours in increasing burnout, fatigue and reducing employee effectiveness. Finally, the combination of employee-centred practices may mean they are more effective, but also that it is difficult to measure the impact on organisational outcomes of flexible working alone, as opposed to the bundle of practices.

1.6 Outline of the Report

In Chapter 2 we consider the labour market context. This is salient given the boom and recession, and the important changes in the sectoral distribution of employment and in the composition of the workforce (particularly regarding gender and nationality), which may impact on both equality and flexible working. Chapter 2 also describes the primary data source, the National Workplace Survey 2009, which is excellently suited to many questions this report seeks to answer. Note that this is a survey of employees, and asking employees about firm-level practices may produce some error. This is discussed in more detail at the end of Chapter 2, and also in the presentation of findings.

Chapter 3 considers the incidence and distribution of formal equality policies by sector and organisational size, and by job characteristics such as tenure and contract status. It also examines perceptions of equality in the workplace and how these are related to equality policies. Chapter 4 looks at the incidence and distribution of flexible working arrangements. This chapter reports on both whether they are available in the workplace and whether employees are participating. How have rates of part-time work, flexitime, working from home and job sharing changed since 2003? Which jobs are associated with flexible working arrangements and which employees participate in terms of gender, age, family status, nationality and educational level?

Chapters 5, 6 and 7 look at the impact of equality policies and flexible working arrangements on employees and organisations. Chapter 5 considers the impact of these on work pressure and work–life conflict. Chapter 6 turns to more organisational outcomes – job satisfaction, organisational commitment, absenteeism and innovation. Chapter 7 examines the impact of equality policies and flexible work arrangements on job quality, in particular on autonomy and wages. Chapter 8 concludes the report by reflecting on changes over time in equality and flexible work practices between 2003 and 2009. The chapter summarises the findings – assessing whether they are good for employees and/or organisations – and reflects on avenues for future research in the area.

2 THE LABOUR MARKET: FROM BOOM TO RECESSION

2.1 Introduction

The 2009 National Workplace Survey was conducted in the midst of the most severe economic and labour market crisis that Ireland has experienced since the formation of the state. After a period of exceptional and sustained growth from 1994 through the early years of the twenty-first century, the Irish economy went into crisis in 2008. The crisis was triggered by the global financial crisis, but this led rapidly to a bursting of the property bubble, which in turn bankrupted the main Irish banks and generated a fiscal crisis of the state. GNP contracted by 2.8% in 2008 and 10% in 2009 (Barrett et al., 2009). This meant that employers were confronted by a chronic deterioration in business conditions in the private sector. Employees in the private sector faced job losses and wage cuts, although the extent of the latter is not yet clear.

Public sector employees were also affected. The recession and financial crisis led to a rapid deterioration in the public finances. Lower economic activity, combined with over-reliance on property-related taxes, led to a dramatic shortfall of government revenue over expenditure. Public sector employees experienced an effective wage cut, in the form of the public sector pension levy imposed from March 2009, immediately prior to the fieldwork for the 2009 survey. Many public sector employees also experienced increased work intensity as a result of an embargo on public sector recruitment, as well as financial constraints and restructuring. All employees experienced increased income taxes.

This chapter first looks at principal trends in the labour market, followed by the changing sectoral and occupational distribution of employment. It then considers changes in the nationality, disability and educational qualifications of the workforce, before reflecting on some of the implications the recession might have for equality policies and flexible working arrangements. In a final section we describe the data used.

2.2 Labour Market Trends by Gender

Table 2.1 shows the main developments in the labour force for selected years between 1993 and 2009. The 1993 data allow us to consider recent changes in the light of longer-term trends. The first National Workplace Survey was conducted in 2003 (O'Connell et al., 2004). In reviewing the evolution of employment in recent years it is necessary to distinguish the expansionary period up to the end of 2007 and the subsequent recession that started in 2008 and led to a contraction in employment. The latest National Workplace Survey was conducted in the first half of 2009.

Employment grew at unprecedented rates between 1993 and 2003, from under 1.2 million to 1.8 million, an average increase of over 5% per annum. Employment growth continued at an average rate of over 3% per annum between 2003 and 2007. Total employment peaked at 2.15 million in the third quarter of 2007, and has been in decline since; falling by 10% between the third quarter of 2007 and the second quarter of 2009.

The overall employment rate (i.e. the proportion of the population aged 15 to 64 years that is in employment) peaked at almost 70% in 2007, before falling to 62.5% in 2009. Underlying the growth in employment was a dramatic growth in female employment. Total female employment more than doubled between 1993 (432,000) and 2007 (923,900). The women's employment rate increased accordingly from less than 39% in 1993 to over 55% in 2003 and over 61% in 2007, before falling back to below 58% in 2009. Women's share of total employment also increased steadily, from almost 37% in 1993 to almost 46% in 2009.

About one-third of female employment is part time, and there was an increase in the proportion of both men and women working part time between 2003 and 2009. The rate of increase was greatest between 2007 and 2009. The rise in part-time work has contributed to the drop in average working hours for those in employment, from 37.6 hours per week in 2003 to 35.1 hours in 2009 (Table 2.1). This trend is also a continuation of a long-term decline in working hours among those working full time (O'Connell and Russell, 2007).

Table 2.1: Principal developments in the labour market, by gender, 1993–2009

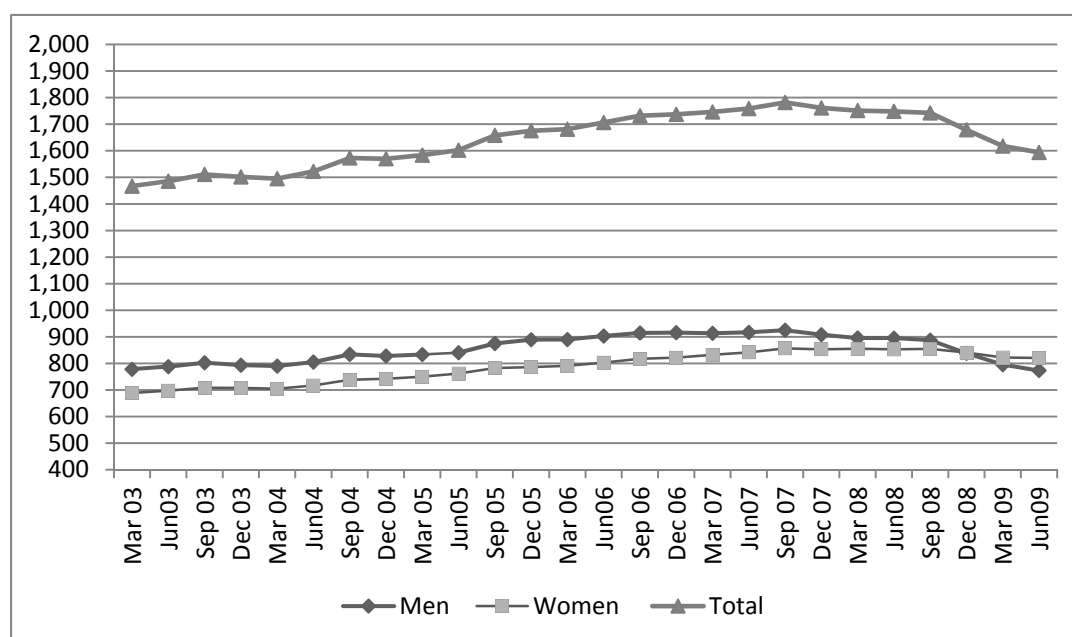
| | 1993 Q2 | 2003 Q2 | 2007 Q3 | 2009 Q2 |
|---|--------------------|--------------------|--------------------|--------------------|
| Total employment (000) | 1180.0 | 1800.0 | 2149.8 | 1938.5 |
| Employment rate (% population aged 15–64) | 52.6 | 65.2 | 69.9 | 62.5 |
| Male employment (000) | 746.0 | 1044.2 | 1225.9 | 1052.0 |
| Male employment rate (%) | 66.0 | 74.9 | 78.3 | 67.3 |
| Female employment (000) | 432.0 | 755.8 | 923.9 | 886.5 |
| Female employment rate (%) | 38.7 | 55.5 | 61.3 | 57.8 |
| Female share of total employment | 36.6 | 42.0 | 43.0 | 45.7 |
| Part-time employment (% of total) | 10.8 | 16.8 | 17.9 | 21.0 |
| Male part-time employment (%) | 4.8 | 6.6 | 7.3 | 10.3 |
| Female part-time employment (%) | 21.0 | 30.9 | 32.0 | 33.6 |
| Mean working hours (weekly) | | 37.6 | | 35.1 |
| Unemployment rate (% labour force) | 15.7 | 4.6 | 4.6 | 12.0 |

Source: Quarterly National Household Survey (QNHS), various years; the National Workplace Surveys 2003 and 2009 for working hours.

Table 2.1 also shows how these changes in employment have been accompanied by a rapid rise in unemployment since 2007. The unemployment rate stood at 4.6% in 2003 and 2007 but by the second quarter of 2009 it had risen to 12%.

The main focus of this report, and the survey on which it is based, is on employees (i.e. people at work excluding the self-employed and relatives assisting). Looking only at employees, we find that the number of female employees exceeded the number of male employees for the first time in Ireland in the fourth quarter of 2008. This was largely due to the fact that the decline in the number of employees from its peak in 2007 was much greater among men than women. This development represents a very significant shift in the gender balance of employees in Ireland. It is illustrated in Figure 2.1.

Figure 2.1: Total number of employees (000s), by gender, 2003–2009



Source: QNHS.

2.3 Labour Market Trends by Sector and Occupation

Table 2.2 shows employment by industrial sector for 2004, 2007 and 2009.¹³ The most notable change is the expansion in construction employment, from below 200,000 people in 2004 to almost 270,000 in 2007, and its rapid decline, to 155,000 in 2009. These figures reflect the boom and bust cycle in construction.

Throughout 2007 more than 250,000 men (i.e. more than one in five of all men at work) were employed in construction. Between 2007 and mid-2009, employment in construction declined by 112,800 – over half of the total number of jobs lost (211,300). Over the period from 2004 to mid-2009, employment in construction declined by 21%. There was also a notable decline in employment in industry and agriculture between 2007 and 2009, although this was not as marked as the decline in construction.

Also notable is the expansion in employment in service activities, particularly in the largely public sector services like public administration and defence, education, and health and social work activities. In all these sectors the increase between 2004 and 2009 was 20% or more. Financial and business services also grew by around 20% during this period.

¹³ Following a reclassification of NACE categories, 2004 appears to be the latest year for which comparable sectoral employment data are published on www.cso.ie.

Table 2.2: Employment, by sector, 2004–2009

| | 2004 Q2 000s | 2007 Q3 000s | % change 2004–07 | 2009 Q2 000s | % change 2007–09 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Agriculture, forestry and fishing | 113.8 | 111.7 | –1.8 | 97.2 | –13.0 |
| Industry | 294.3 | 305.6 | 3.8 | 258.3 | –15.5 |
| Construction | 197.7 | 268.2 | 35.7 | 155.4 | –42.1 |
| Wholesale and retail | 259.5 | 306.9 | 18.3 | 277.7 | –9.5 |
| Transportation and storage | 89.2 | 92.2 | 3.4 | 94.6 | 2.6 |
| Accommodation and food service activities | 107.2 | 137.8 | 28.5 | 119.8 | –13.1 |
| Information and communication | 62.9 | 66.5 | 5.7 | 73.5 | 10.5 |
| Financial, scientific and technical activities | 89.3 | 105.1 | 17.7 | 108.7 | 3.4 |
| Professional, scientific and technical activities | 92.7 | 113.9 | 22.9 | 102.6 | –9.9 |
| Administrative and support service activities | 58.7 | 82.7 | 40.9 | 65.9 | –20.3 |
| Public administration and defence; social security | 90.1 | 107.4 | 19.2 | 107.7 | 0.3 |
| Education | 121.4 | 132.7 | 9.3 | 150.4 | 13.3 |
| Health and social work | 177.4 | 217.6 | 22.7 | 227.8 | 4.7 |
| Other NACE activities | 98 | 101.6 | 3.7 | 98.7 | –2.9 |

Source: QNHS, various years. Following a reclassification of sectors, 2004 is the earliest year for which comparable data on sector are available.

Between the late 1990s and 2004 there was a general upgrading of occupations, with particularly strong growth in managerial, professional and associate professional and technical jobs (O’Connell and Russell, 2007). This growth at the top of the occupational structure was counterbalanced by growth in personal and protective service and in sales occupations. As shown in Table 2.3, between 2003 and 2007 strong growth continued in these occupations, and also in both craft and related and ‘other’ categories (possibly related to the growth in the construction sector in this period). Growth was a good deal slower in professional and technical occupations, and employment in managerial and administrative occupations was virtually static. In spite of the strong growth in overall employment between 2003 and 2007, there is little evidence of continued occupational upgrading during the final years of the boom.

Table 2.3: Employment, by occupation, 2003–2009

| | 2003 Q2 000s | % | 2007 Q3 000s | % | 2009 Q2 000s | % |
|--------------------------------------|-----------------------------|----------|-----------------------------|----------|-----------------------------|----------|
| Managers and administrators | 315.9 | 17.6 | 317.5 | 14.8 | 323.2 | 16.7 |
| Professional | 200.7 | 11.2 | 235.7 | 11.0 | 246.0 | 12.7 |
| Associate professional and technical | 166.5 | 9.3 | 189.9 | 8.8 | 192.3 | 9.9 |
| Clerical and secretarial | 216.3 | 12.0 | 267.7 | 12.5 | 246.8 | 12.7 |
| Craft and related | 242.8 | 13.5 | 310.8 | 14.5 | 210.6 | 10.9 |
| Personal and protective service | 185.1 | 10.3 | 244.5 | 11.4 | 242.0 | 12.5 |
| Sales | 147.0 | 8.2 | 186.5 | 8.7 | 171.1 | 8.8 |
| Plant and machine operatives | 172.6 | 9.6 | 182.8 | 8.5 | 140.2 | 7.2 |
| Other | 153.1 | 8.5 | 214.3 | 10.0 | 166.2 | 8.6 |
| Total | 1800.0 | 100.0 | 2149.8 | 100.0 | 1938.5 | 100.0 |

Source: QNHS, various years.

Between the third quarter of 2007 and the second quarter of 2009 the decline in employment was concentrated among craft and related occupations, plant and machine operatives, and occupations in the ‘other’ category. These declines were primarily driven by the contraction in the construction sector. Other occupations, particularly professional and managerial jobs, showed continued growth, albeit modest, at least in the early phase of the recession.

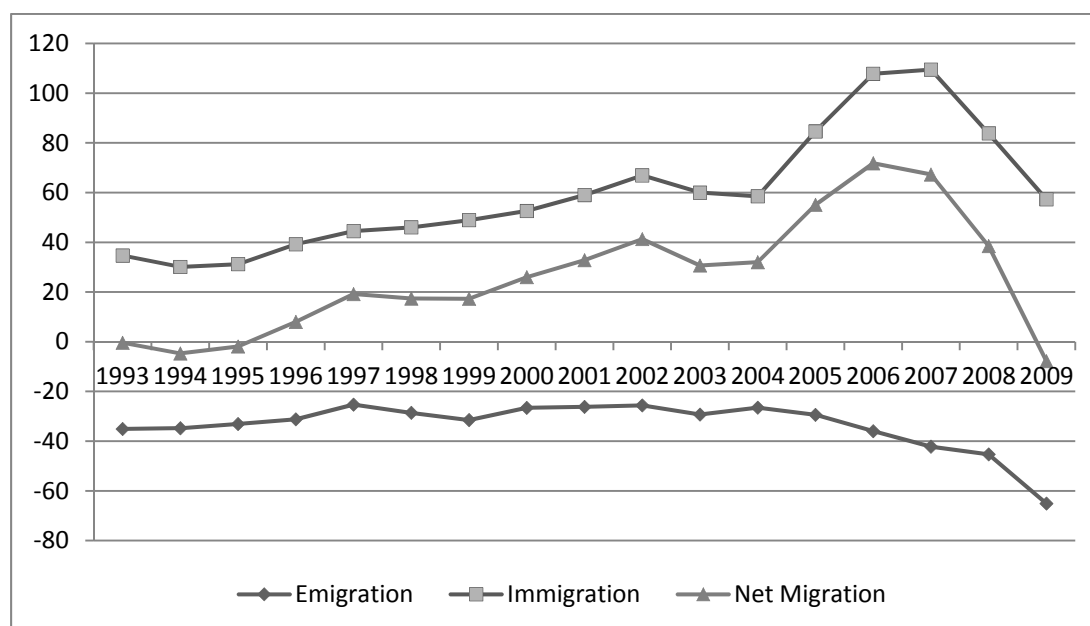
2.4 Labour Market Trends by Nationality, Disability and Education

2.4.1 Nationality and ethnicity

Immigration grew steadily from the mid-1990s in the context of the economic boom and growth in employment. Immigration increased beyond 100,000 per annum in 2006 and 2007. However, as recession hit, immigration declined to 57,300 in the twelve months to April 2009. The inward flow was counteracted in 2009 by an outward flow of 65,100 emigrants, with the result that net migration turned negative for the first time since 1995. These trends are illustrated in Figure 2.2.

The number of foreign residents in Ireland increased dramatically as a consequence of economic growth. Census data indicate that the number of non-Irish nationals almost doubled to 420,000 between 2002 and 2006. The 2006 Census suggests that non-Irish nationals accounted for about 10% of the total population, up from 6% in 2002. Of these, over 276,000 were nationals of other EU countries and over 140,000 came from outside the EU25. Much of the growth was due to the arrival of nationals from the newer EU member states following EU enlargement in 2004.

Figure 2.2: Emigration, immigration and net migration (000s), 1993–2009¹⁴



Source: Central Statistics Office (CSO), Population and Migration Estimates, various years.

Table 2.4 shows employment by nationality in 2004, 2007 and 2009. The number and proportion of non-Irish nationals at work increased very dramatically after EU enlargement, from 152,000 in 2004 to almost 333,000 in 2007, or from 8% of total employment to 15.5%. The main source of the growth came from the newer EU member states, whose share increased from less than 2% in 2004 to almost 8% of total employment in 2007.

Non-Irish nationals have experienced greater job losses than Irish nationals, and nationals of the newer EU member states have been hit particularly hard by the recession, with the number in employment falling by more than one-quarter since the third quarter of 2007. However, in spite of the fall in employment among non-Irish nationals since 2007, non-Irish nationals still made up a considerably greater proportion of the labour market in Ireland in 2009 (14%) than they did in 2003 (8%).

Table 2.4: Employment, by nationality, 2004–2009

| | 2004 Q3 000s | | 2007 Q3 000s | | 2009 Q2 000s | |
|--------------------------------|--------------------|-------|--------------------|-------|--------------------|-------|
| | | % | | % | | % |
| Irish nationals | 1750.1 | 92.0 | 1817.1 | 84.5 | 1663.9 | 85.8 |
| Non-Irish nationals | 152.2 | 8.0 | 332.7 | 15.5 | 274.6 | 14.2 |
| of which: | | | | | | |
| United Kingdom | 44.6 | 2.3 | 50.2 | 2.3 | 49.6 | 2.6 |
| EU15 [†] | 25.5 | 1.3 | 30.3 | 1.4 | 34.1 | 1.8 |
| Accession states ^{††} | 32.9 | 1.7 | 169.9 | 7.9 | 123.7 | 6.4 |
| Other | 49.3 | 2.6 | 82.3 | 3.8 | 67.2 | 3.5 |
| Total persons | 1902.3 | 100.0 | 2149.8 | 100.0 | 1938.5 | 100.0 |

Source: QNHS, various years.

Notes: [†] Excluding Ireland and the UK. ^{††} Enlargement in 2004 from EU15 to EU25.

¹⁴ Preliminary estimates from the 2011 Census suggest that these figures may underestimate immigration flows, but revised population and migration estimates will not be available until 2012.

McGinnity et al. (2011) describe the distribution of employment by nationality across economic sectors in 2009. Non-nationals are distributed broadly across sectors. They were particularly concentrated in accommodation and food service activities, but have little presence in public administration.

2.4.2 Disability

Estimating the proportion of the population in employment with a disability is challenging for a number of reasons. First, there are difficulties in defining what constitutes a disability. This is because disability is a matter of degree, and the threshold applied will influence the proportion with a disability. Second, the wording of the question may influence the proportion saying they have a disability, and whether people with a mental health disability or a learning disability are included in the definition. Watson and Nolan (2011), in their social portrait of people with a disability, combine data from the 2006 Census with data from the 2006 National Disability Survey. They estimate that, using the most inclusive or broadest definition, between 17% and 20% of the population has a long-term disability. Using a narrower definition that counts only those people who declared a disability on both the Census and the National Disability Survey, the figure is around 8%, which they treat as a minimum baseline.¹⁵ Estimates from the SLÁN data in 2007 are that 11% of adults (over 18s) had a long-term illness, health problem or disability that limited their daily activity (Morgan et al., 2008).

The proportion of those in employment who report a disability is lower and a number of studies in Ireland have noted various reasons for the lower employment rate among those with a disability (Gannon and Nolan, 2010). For example, in the 2006 Census the employment rate was 35% for people aged 25 to 64 with a disability, compared with about 73% for all adults in this age group (Watson and Nolan, 2011). Estimates from a special module of the QNHS in quarter 2 of 2002 were that around 6.3% of those in employment have a long-standing health problem or disability that limits their daily activity either severely or to some extent. Two years later the proportion of those in employment with a disability, using the same definition in a repeat special module of the QNHS, was also 6.3% (QNHS, Q1, 2004). Initial indications from the 2009 National Workplace Survey, using the same question restricted to employees, are that around 5% of the sample (weighted) have a disability.¹⁶ Notwithstanding the data limitations, in particular the problem of not having comparable data over time, this suggests that the proportion of those in employment who report a health problem or disability that limits their daily activity has remained relatively stable over the period from 2003 to 2009.

2.4.3 Education

There was a continuation of a long-term trend towards increasing educational attainment for those in employment in the period from 2003 to 2009. As shown in Table 2.5, there was sustained growth in both the numbers and proportions of people at work with third-level awards, both degree and non-degree, between 2003 and 2007. Indeed, that growth continued after 2007 in respect of people with third-level non-degrees, although the number of those with degrees has declined in the recession.

Concurrently there has been a steady decline in the number of people at work with lower-level qualifications, including both those with primary level or below and those with lower secondary education. In fact it now makes sense to merge these two groups – primary and

¹⁵ See Watson and Nolan (2011) for a more detailed discussion of these definitions and data sources.

¹⁶ This proportion responded either 'yes, severely' or 'yes, to some extent' to the question: 'Is your daily activity limited by a long term illness, health problem or disability?'

lower secondary – as the numbers in the former are so low.¹⁷ Between 2007 and 2009, the numbers of those at work with these qualifications (lower secondary or below) fell by almost one-quarter. This low-skilled group has been hit hardest by the recession and is likely to find it most difficult to regain employment, even with an upturn in the labour market.

Table 2.5: Persons aged 15 to 64 years in employment, by highest level of educational attainment, 2003–2009

| | 2003 | | 2007 | | 2009 | |
|--------------------------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | Q2 | | Q3 | | Q2 | |
| | 000s | % | 000s | % | 000s | % |
| Primary or below | 187.1 | 10.6 | 175.4 | 8.3 | 125.5 | 6.6 |
| Lower secondary | 308.3 | 17.5 | 322.9 | 15.3 | 242.4 | 12.8 |
| Higher secondary | 481.0 | 27.3 | 584.1 | 27.7 | 492.3 | 26.0 |
| Post-Leaving Certificate (PLC) | 218.0 | 12.4 | 226.0 | 10.7 | 237.0 | 12.5 |
| Third-level non-degree | 199.0 | 11.3 | 234.6 | 11.1 | 318.3 | 16.8 |
| Third-level degree or above | 329.0 | 18.6 | 480.9 | 22.8 | 426.7 | 22.5 |
| Other | 42.6 | 2.4 | 82.0 | 3.9 | 51.8 | 2.7 |
| Total | 1765.1 | 100.0 | 2105.9 | 100.0 | 1894.0 | 100.0 |

Source: QNHS, various years.

2.5 Implications for Equality

The aim of this chapter was to compare the Irish labour market in 2003 with that in 2009. The Irish economy went into deep recession in 2008, with severe consequences for overall employment and wages. This is in contrast to 2003 when employment was at a record high, earnings were rising rapidly and immigration was increasing.

A key feature of the recession was the collapse of the construction sector, which accounted for over half of the decline in employment between 2007 and mid-2009, although job losses were widespread across the private sector. Linked to the collapse of construction, job losses were much more severe among men than women, so that in 2009, for the first time, there were more female than male employees in Ireland. Job losses were also severe among non-Irish nationals, but given trends up to 2007 the Irish workforce was considerably more diverse in terms of nationality in 2009 than it was in 2003. The final notable change in the workforce since 2003 was the continuation of the trend towards increasing educational attainment of those in employment. In particular there has been a marked rise in the proportion with third-level qualifications.

There are a number of ways that this recession might affect equality policies and flexible working arrangements. A number of authors have suggested that overall the recession may lead to retrenchment in flexible working (Hegewisch, 2009). Evidence from Germany and the Netherlands suggests that employees are much less likely to approach their employers about changing work practices for fear of job loss (Hegewisch, 2009). There is certainly evidence in Ireland that insecurity has risen rapidly in the current recession, in tandem with unemployment (O'Connell et al., 2010a).

Yet a reduction in output may mean that working hours will be reduced and opportunities for part-time work will grow. There has certainly been continued growth in part-time work during the early part of the recession in Ireland (see Table 2.1).

¹⁷ This also corresponds to the Eurostat definition of early school leavers.

These general trends may be offset or exacerbated by compositional effects. For example, we know from previous work that flexible working arrangements are more common in some sectors in Ireland (the public sector) and less common in others (construction, manufacturing). To the extent that the manufacturing and particularly construction sectors contracted dramatically in the early years of the recession, this may mean that flexible working arrangements are more prevalent, as employment in the public sector continued to grow, at least until 2009 (see Table 2.2).

To the extent that flexible working is more commonly requested by women, with the exception of working from home, the fact that the female share of total employment has steadily risen in the period (see Table 2.1) may also mean more flexible working. We conducted some tests of compositional effects – changes in the workplace, sectoral and occupational distribution of employment, the personal characteristics of those employed – by pooling the data from 2003 and 2009. The results of these tests are discussed at the end of Chapters 3 and 4.

Policy measures to promote flexible working and equality, as discussed in Chapter 1, along with public debates on flexible working, may also play a role in increasing its prevalence. There may also be longer-term trends in increasing use of flexible working that are not affected by the recession.

2.6 National Workplace Survey 2009 – Employees

The aim of this project is to carefully assess the evidence on equality policies, flexible working practices and their impact. The National Workplace Survey 2009 – Employees is a national, representative survey of employees. It contains an excellent range of objective and subjective indicators relevant for the key questions in this research project, described in more detail below. The fact that it repeats an earlier survey, conducted in 2003, allows us to explore the impact of equality and flexible work practices in very different economic circumstances – boom and recession – in the same country. The results of the survey are published in O’Connell et al. (2010a), where the survey methodology is also described in detail.¹⁸

The data were gathered by means of a national telephone survey of employees, which targeted employees in the public and private sectors (excluding agriculture) aged 15 years and older. The survey was fielded by telephone from March to June 2009 by Amárach Research.¹⁹ The sample for the telephone survey was generated on a stratified random basis from Amárach’s database of landline telephone numbers (comprising both listed and unlisted numbers).²⁰ All interviews were completed with the questionnaire-scripted NIPO software. NIPO is a software programme developed by TNS in the Netherlands. It is excellently suited to CATI (computer-assisted telephone interviewing). It facilitates the exclusion of non-applicable questions, manages the selection of telephone numbers, keeps appointment times, allows monitoring of sample targets to track progress, and allows real-time monitoring of interviews by supervisors. Interviews took 35 minutes, on average, to complete.

¹⁸ This description concentrates on the 2009 survey. For further details of the survey conducted in 2003, the reader is referred to O’Connell and Russell, 2005.

¹⁹ A complementary postal survey of employers was carried out at the same time but the two samples are not linked. The employer survey is described in detail in Watson et al. (2010) and, where appropriate, the results will also be referred to here.

²⁰ Quota control was implemented on those taking part, at the stage of selection of individuals for interview within households, to ensure that the sample is representative of the target population.

There were 5,110 completed and usable interviews from a total of over 65,000 telephone numbers called. The majority of these numbers (45,880) were not eligible for the survey: a further 10,832 numbers were of unknown eligibility because the interviewer was unable to determine whether anyone in the household was in employment. In calculating the response rate, we need to estimate the proportion of these numbers that are likely to have been eligible. The response rate, calculated as completed interviews as a percentage of the total estimated eligible, was 50%. This is a very respectable rate for a telephone survey. The resulting data were reweighted to be representative of the national population of employees at work in summer 2009, using the QNHS.

The questionnaire was designed to capture a comprehensive range of information on the nature of the job and the organisation of work.²¹ As well as replicating items covered in the 2003 survey, new items were included to gather data on the match between the person's skills and the skills needed for the job, on work-life balance and on issues related to diversity in the workplace such as nationality and ethnicity.

The questionnaire had eight sections as follows:

Section A: Labour market details such as occupation, industrial sector, size of local unit and enterprise, number of hours worked, status of tenure, trade union membership.

Section B: Attitudes to job, intensity and autonomy of the work – this section recorded level of agreement with a series of statements on job satisfaction, pressure, commitment, work-life conflict, autonomy, etc. It also included questions on the presence of different work practices, including the availability and use of flexible working arrangements, and on the presence of an equality policy in the workplace.

Section C: Change in the workplace – this section asked about the incidence of structural changes in the organisation, and reduction in staff numbers. It asked about the introduction of new work practices and changes to the individual's job. It also questioned employees about their willingness to accept such change if it were to continue into the future.

Section D: Skill levels and learning/training opportunities provided by the employer over the two years preceding the survey.

Section E: Communications – this section included sources of information, perceptions on the adequacy or otherwise of information received from management and prior consultation regarding changes in areas affecting the respondent's job.

Section F: Employer/employee relations – this section dealt with relations between different groups of employees and also between management and employees. It included questions on perceptions of equality in the workplace.

Section G: Employee involvement and participation – this section considered the extent of direct and also indirect participation by employees in decisions about how the work is carried out.

Section H: Background details – this section included the standard set of background areas of information, including age, sex, marital status, number of dependent children, level of educational attainment, ethnicity, place of birth, disability and health status, as well as pay.

²¹ The questionnaire is available online at: <http://www.esri.ie/pubs/BKMNEXT200>.

It should be emphasised that the survey is of employees rather than workplaces. Therefore, the estimate of the incidence of equality policies or flexible working arrangements will not be the same as one based on a sample of employers/firms.²²

A survey of employees allows us to analyse the impact of practices on employee well-being. However, asking employees about firm-level policies is also likely to produce some error, insofar as employees do not have full information on these issues. Analysis of a matched sample of employer and employees in the UK shows that the level of disagreement between the responses of the two groups was greatest for leave arrangements (not considered in the current study), was moderate for job sharing and flexitime, and was lowest in the case of working from home (Dex et al., 2002).

The questions on flexible working arrangements in the survey were asked both in relation to the organisational use of the practice and personal involvement (see Chapter 4 for further details). We expect that the error surrounding responses on personal involvement will be lower than for organisational use.

The question on equality policy refers solely to the organisation. Respondents are asked 'Is there a formal explicit policy on equal opportunities in your workplace?' A number of respondents (5.6%) said that they did not know whether such a policy existed. These respondents are excluded from the analysis of equality policies in Chapter 3.

²² However, an incidence figure from a nationally representative sample of firms weighted by the number of employees covered in each firm should produce an estimate close to that taken from a sample of employees.

3 EQUALITY POLICIES AND EMPLOYEES' PERCEPTIONS OF FAIRNESS

3.1 Introduction

Chapter 1 described how an employment equality policy at enterprise level, as defined by the Equality Authority (2001), is a 'statement of commitment identifying areas of activity to be developed to prevent discrimination and to promote equality'. A formal equality policy should outline the grounds protected against discrimination; explain how equality is to be promoted and discrimination combated; and set out the system for implementing the policy. This chapter investigates the incidence of equality policies in Irish workplaces in 2009 as described by employees, and considers how the level and distribution of such policies has changed since 2003. The chapter also investigates employees' views of equality in their workplace and considers whether perceptions of equality have changed over the period. As noted in Chapter 2, the economic pressures brought on by recession may have undermined moves towards greater diversity during the boom period.

The National Workplace Survey asked employees: 'Is there a formal explicit policy on equal opportunities in your workplace?' This is identical to the question fielded in the 2003 survey. It should be borne in mind that this question was put to employees and their responses may or may not correctly represent the situation at organisational level. It is unlikely that all employees throughout an organisation will have an accurate knowledge of human resource policies in operation. Those most likely to be familiar with organisational policies are those with managerial/supervisory responsibilities, those involved in trade union activities, those who have made use of policies (e.g. those who have taken grievance procedures) and perhaps those who have been employed longest within the organisation.

Overall 93% of public sector employees said such a policy was in place, compared with 81% of private sector employees, and the figure for semi-state employees is highest at almost 98% (see Table 3.1). As a check on these levels we can compare employee responses to those obtained from employers. In a companion survey, 97% of public sector employers and 67% of private sector employers reported that they have an explicit policy on equality/diversity (Watson et al., 2010). Comparisons with employees' figures suggest that there is some over-estimation of the presence of equality policies among private sector employees and perhaps a slight under-estimation amongst public sector employees.

Table 3.1: Equality policies in the labour market, 2003 and 2009

| | 2003 % | 2009 % |
|------------------------------|-----------|-----------|
| Public sector | 89.8 | 93.0 |
| Commercial semi-state sector | 88.7 | 97.7 |
| Private sector | 70.7 | 81.0 |
| All | 75.1 | 84.1 |

Note: Excludes those who answered 'don't know' to the question on equality policy (5.6% of employees).

Employees were also asked whether there was 'a formal explicit policy on respect and dignity at work (i.e. an anti-bullying policy)' in their workplace. Answers to this question mirrored those for equality policies: 95% of public sector employees said yes, compared with 76% of private sector employees. As the question on anti-bullying policies was positioned before the question on equal opportunities, we can assume that respondents were not considering anti-bullying policies when answering about equality policies.

3.2 Changes in Equality Policies, 2003–2009

In 2003, 75% of all employees said that there was a formal equality policy in their organisation; by 2009 this proportion had risen to 84%. In both years such policies were reported more frequently in the public sector than in the private sector. However, the increased presence of equality policies is most pronounced in the private sector, where the proportion rose by 10%, and in the commercial semi-state sector, where there was a 9% increase; this pattern of change is in part due to the fact that the coverage was already close to complete in the public sector.

Table 3.2 shows a more detailed breakdown of equality policies by economic sector and indicates that the greatest increase in equality policies is in the hospitality sector, where the proportion rose from 59% to 76%.

Table 3.2: Presence of formal equality policy, by organisational characteristics, 2003 and 2009

| | All organisations | | Private (excluding commercial semi-state) | |
|---|-------------------|-----------|---|-----------|
| | 2003 % | 2009 % | 2003 % | 2009 % |
| <i>Economic sector</i> | | | | |
| Manufacturing and primary | 75.6 | 87.2 | 67.8 | 86.8 |
| Construction | 57.5 | 64.4 | 53.0 | 64.4 |
| Wholesale and retail | 73.5 | 82.8 | 66.1 | 82.8 |
| Hospitality | 58.8 | 75.5 | 52.9 | 75.5 |
| Transport and communications | 80.7 | 88.6 | 75.1 | 85.7 |
| Financial and business services | 78.7 | 88.7 | 72.7 | 88.5 |
| Public administration and defence | 93.0 | 96.2 | — | — |
| Education | 85.4 | 89.9 | 78.9 | 86.7 |
| Health | 81.5 | 87.1 | 73.0 | 79.2 |
| Other services | 64.9 | 68.0 | 56.8 | 65.0 |
| <i>Organisational size[†]</i> | | | | |
| Fewer than 5 employees | 43.1 | 57.9 | 43.0 | 58.0 |
| 5–19 employees | 51.2 | 64.7 | 50.4 | 63.3 |
| 20–99 employees | 67.6 | 77.7 | 65.7 | 76.3 |
| 100–499 employees | 77.9 | 90.5 | 75.7 | 89.5 |
| 500 or more employees | 89.8 | 95.2 | 87.6 | 95.0 |
| <i>Trade union/staff association in workplace</i> | | | | |
| Yes | 86.4 | 93.6 | 79.6 | 91.4 |
| No | 63.4 | 70.4 | 57.0 | 75.3 |
| All | 75.1 | 84.1 | 70.7 | 81.0 |

Notes: Excludes those who answered 'don't know' to the question on equality policy.

[†] Refers to the size of the total enterprise/organisation rather than the local unit where the respondent works.

'Don't knows' were reclassified on the basis of information provided for the local unit (those saying fewer than 20 employees in the local unit and don't know for enterprise size were reclassified to 20–99).

Other sectors showing a strong increase in equality policies since 2003 are the financial and business services sector and the wholesale and retail sector. Manufacturing also shows an

increase.²³ In 2009, as in 2003, employees in the construction sector are least likely to report the presence of an equality policy. Later in this section we examine whether the collapse of construction and other compositional changes lie behind the rise in the prevalence of equality policies.

Unsurprisingly, formal equality policies were more common among employees in larger firms, rising from 58% in organisations with fewer than 5 employees to over 95% in organisations with 500 or more employees in Ireland. This relationship will also be influenced by public/private sector differences, as most public sector organisations are large. However, even when the analysis is confined to the private sector, we still find that 95% of employees in the largest organisations report an equality policy compared with 58% of the smallest firms.

Where there is a trade union presence in the organisation, employees are much more likely to report a policy on equality in the workplace. Private sector organisations with trade unions resemble the public sector in terms of the presence of equality policies.

While organisation-level factors are clearly very important, there is also evidence that type of job occupied makes a difference (see Table 3.3). Those in full-time, permanent employment and those with longer job tenures are more likely to report the presence of an equality policy than part-time employees, temporary staff and those with short tenures. These patterns may reflect awareness of policies as much as the presence of policies. Managerial and professional workers more commonly report such policies; however, more unexpectedly, so do plant and machine operatives, in contrast to skilled manual craft employees who are least likely to report an equality policy.

Table 3.3: Presence of formal equality policy, by job characteristics, 2003 and 2009

| | 2003 % | 2009 % |
|--------------------------------------|------------------|------------------|
| Part-time employees | 73.0 | 79.1 |
| Full-time employees | 75.6 | 84.7 |
| Permanent employees | 76.6 | 83.9 |
| Temporary employees | 67.3 | 78.9 |
| Less than 1 year in the job | 67.2 | 79.1 |
| 1–5 years in the job | 74.4 | 80.9 |
| More than 5 years in the job | 78.0 | 85.4 |
| Manager or administrator | | 87.8 |
| Professional | | 90.1 |
| Associate professional and technical | | 83.5 |
| Clerical and secretarial | | 86.3 |
| Craft and related | | 66.9 |
| Personal and protective service | | 82.0 |
| Sales | | 84.2 |
| Plant and machine operative | | 87.7 |
| Other | | 76.7 |

²³ Watson et al. (2010) argue that it is useful to distinguish traditional manufacturing (food and beverages, publishing/printing, electricity, gas, furniture) from hi-tech manufacturing (chemical and pharmaceutical industries, precision instruments, machinery and equipment). Over half (55%) of the employees in this survey were working in hi-tech manufacturing. About 88% of those in traditional manufacturing and 92% of those in hi-tech manufacturing are in an organisation with an equality policy. Note: this excludes agriculture and fishing, which is included in the figures for Table 3.2.

Job and organisational characteristics can clearly coincide and overlap, it is therefore informative to run a statistical model that estimates the independent influence of each of these effects on the presence of an equality policy. These models allow us to disentangle the impact of a whole series of effects. We can look at the effect of sector on the presence of an equality policy while holding occupation and firm size constant, allowing us to measure the 'net effect' of sector. Such models can also rule out 'confounding effects', for example the association between professional occupations and high reporting of equality policies could be due to the fact that many of these jobs are located in the public sector and it is sectoral practices that drive the result rather than occupation. The asterisks in these tables indicate that the results are robust or 'statistically significant'. Where we cannot rule out that the results were generated by chance, this is indicated in the tables by 'n.s.', meaning 'not statistically significant'. Table 3.4 presents the results of these models.

Table 3.4: Logistic regression models of factors influencing equality policy

| | Public and private sectors | Private sector only ^a |
|--------------------------------------|----------------------------|----------------------------------|
| Trade union work | .64 *** | .59 *** |
| 5–19 employees | .39 * | .34 n.s. |
| 20–99 employees | .81 *** | .67 *** |
| 10–499 employees | 1.16 *** | 1.19 *** |
| 500 or more employees | 1.49 *** | 1.76 *** |
| Size of organisation not known | .70 * | .68 * |
| <i>Sector (ref=manufacturing)</i> | | |
| Construction | –.39 n.s. | –.30 n.s. |
| Retail and wholesale | –.02 n.s. | –.03 n.s. |
| Hotel and restaurant | –.18 n.s. | –.12 n.s. |
| Transport and communication | .01 n.s. | –.28 n.s. |
| Finance | –.08 n.s. | –.13 n.s. |
| Public administration | .69 ** | n/a |
| Education | –.26 n.s. | .14 n.s. |
| Health | –.16 n.s. | –.16 n.s. |
| Other services | –.20 n.s. | –.40 n.s. |
| No. of flexible work practices (1–4) | .24 *** | .21 *** |
| <i>Occupation (ref=managerial)</i> | | |
| Professional | –.21 n.s. | –.24 n.s. |
| Technical and associate professional | –.37 * | –.32 n.s. |
| Clerical | –.11 n.s. | .00 n.s. |
| Craft | –.41 * | –.51 * |
| Personal and protective service | –.17 n.s. | –.20 n.s. |
| Sales | –.41 * | –.41 n.s. |
| Plant and machine operative | –.49 * | –.50 * |
| Other | –.71 * | –.99 ** |
| Less than 1 year in the job | –.16 n.s. | –.13 n.s. |
| 1–5 years in the job | .08 n.s. | .06 n.s. |
| Part time (fewer than 30 hours) | –.64 *** | –.62 *** |
| Temporary contract | –.01 n.s. | .00 n.s. |
| Constant | .41 n.s. | .45 n.s. |
| N of cases | 5066 | 3160 |
| Model chi-square | 561.918 *** | 404.865 *** |
| Nagelkerke R square | .173 | .184 |

* P≤.05; ** P≤.01; *** P≤.001; n.s. not statistically significant; n/a not applicable. Coefficients presented.

^a Excludes those employed in commercial semi-states and public sector.

The models show that organisational size has a strong effect on equality policy even when economic sector is controlled. As mentioned above, organisation/enterprise size is strongly correlated with sector, so that 68% of public sector employees are in organisations with 500 or more employees, compared with 32% of private sector employees.²⁴ Thus, when organisational size is controlled, economic sector has less influence. Only public administration is significantly different from the reference group (manufacturing). Trade union presence has a strong positive influence, independent of sector and size, as does the presence of flexible work practices.

Managers across all sectors are more likely to report the presence of an equality policy than most non-managerial workers, with the exception of professionals and personal and protective service workers. Length of job tenure and non-permanent contract status are not significant when other factors are controlled, but part-time workers are still less likely to report an equality policy in their place of work.

These results provide only weak support for an explanation based on employee awareness of policies. While the effect for managers might be related to their greater knowledge of and responsibility for formulating and enforcing organisational policy, the lack of a tenure effect is counter-evidence since we would expect those who had been with the organisation longest to have had a greater opportunity for learning about policies. Indeed, compared with the employer-level statistics, it seems that over-reporting among employees may be more of an issue than under-reporting, especially in the private sector.

Since there is almost complete coverage of equality policies among public sector (and semi-state) employees, it is informative to consider how these factors operate in the private sector. This analysis is also presented in Table 3.4. Within the private sector, trade union presence, organisational size and the presence of flexible working arrangements are strong predictors of the presence of an equality policy. At the job level, part-time work is associated with a lower presence of equality policies whereas occupying a managerial position is associated with a higher presence. Economic sector within the private sector has no further influence.

Given the rapid changes in the Irish labour market described in Chapter 2, in particular the collapse in construction associated with the recession, this raises a question as to whether the change in the prevalence of equality policies may be due to sectoral changes in the nature of employment. It may also be due to other changes in the nature of jobs, such as the occupational change outlined in Chapter 2, or changes in the composition of the workforce. We tested the role of compositional factors using pooled data from 2003 and 2009, running successive models on the prevalence of equality policies, showing what happens to the change across years once additional factors are taken into account.²⁵ This modelling strategy closely follows that of Russell and McGinnity (2011), in their analysis of changes in work pressure. The results from these models are presented in Table A3.2 (see appendix to this chapter).

Model A simply tests the difference in the prevalence of equality policies between the two years, with 2003 as the base category. The coefficient for 2009 shows that equality policies were more commonly present in 2009. Model B accounts for sectoral change. The year coefficient barely changes, indicating that sectoral changes in employment did not account for the rise in the prevalence of equality policies. This is also true of occupation and other job

²⁴ The corresponding figure for employees in commercial semi-states is 69%.

²⁵ These models are limited to include factors available in both the 2003 and the 2009 surveys for this exercise, so nationality, for example, is not included as it was not measured in the 2003 survey. The models exclude those who answered 'don't know' to the question on equality policy, but the results are very similar if 'don't know' and 'no' responses are combined.

characteristics (Model C). Part of the rise in the availability of equality policies is accounted for by the changing composition of the workforce (Model D), but this part is very modest. The main result of these models is that there was a marked and significant rise in the prevalence of equality policies that was not accounted for by changes in the composition of jobs or the composition of the workforce. This is an important finding.

3.3 Changes in Perceptions of Equality in the Workplace, 2003–2009

Next we consider employees' perceptions of equality of opportunity and treatment in the workplace. Three dimensions are considered: recruitment, pay and conditions, and career development (see Table 3.5 for question wording).²⁶ Employees are on the whole very positive about equality within their workplace, but they are less likely to believe there is equality in pay and conditions (73%) than to believe there are equal opportunities in recruitment (88%) and for career development (86%).

Table 3.5: Perceived equality in the workplace, 2003 and 2009

| | 2003 | 2009 |
|---|---------------------|------|
| | <i>% Saying Yes</i> | |
| Would you say that everyone applying to your organisation for a job has an equal opportunity of recruitment regardless of their age, gender, ethnic origin, etc.? | 85.3 | 87.5 |
| Regardless of their age, gender, ethnic origin, etc., does everyone in your organisation have: | | |
| the same pay and conditions for doing the same job? | 76.0 | 73.4 |
| the same opportunities for career development and advancement? | 85.0 | 85.8 |

Note: Excludes those who answered 'don't know' to the question.

In contrast to the increase observed for presence of equality policies, perceptions of equal treatment in the workplace remained largely unchanged between 2003 and 2009. It should be borne in mind that the prevailing economic conditions had dramatically worsened between the two time points, which might have been expected to lead to an undermining of equal opportunities via increased competition between employees and weaker employee negotiating power. Therefore, it is noteworthy that there was not a significant *decline* in the perception of fairness, although there was a small decrease in perceived equality in pay and conditions.

Table 3.6 considers the differences in perceived fairness across different employment sectors. Public sector employees are significantly more likely to believe that there is equality in pay and conditions. However, there is no such difference in public and private employee perceptions of equality of opportunity in recruitment and advancement.

Within the public sector, it would appear that those employed in public administration and defence are most likely to agree that there is equality of treatment across the three dimensions. Interestingly, those employed in financial and business services and in transport and communication are least likely to believe that there is equality in pay and conditions, whereas those in the retail and wholesale and in the hospitality sectors are least likely to agree that there is equality in recruitment and advancement.

²⁶ While these questions are subjective, as they ask about practices in the workplace they may be less vulnerable to social desirability bias than asking respondents about their treatment of others in terms of equality.

Table 3.6: Perceived equal opportunities, by organisational characteristics

| | Equal pay and conditions | Equal career development/ promotion opportunities | Equal opportunities recruitment |
|--|---|--|--|
| | <i>% Saying Yes</i> | | |
| <i>Economic sector</i> | | | |
| Public sector | 80.2 | 87.6 | 88.3 |
| Private sector | 71.4 | 85.2 | 87.3 |
| Commercial semi-state | 73.2 | 88.1 | 89.1 |
| Manufacturing and primary | 75.5 | 86.4 | 89.5 |
| Construction | 72.2 | 85.6 | 84.9 |
| Retail and wholesale | 72.6 | 83.9 | 82.8 |
| Hospitality | 70.1 | 84.2 | 86.7 |
| Transport and communication | 65.3 | 86.0 | 86.1 |
| Financial and business services | 69.4 | 85.7 | 89.0 |
| Public administration, defence | 81.5 | 90.4 | 90.6 |
| Education | 79.1 | 84.6 | 87.4 |
| Health | 76.7 | 86.6 | 89.0 |
| Other services | 65.9 | 85.9 | 88.9 |
| <i>Organisational size</i> | | | |
| Fewer than 5 employees | 76.3 | 87.3 | 86.6 |
| 5–19 employees | 70.0 | 84.8 | 86.8 |
| 20–99 employees | 73.0 | 85.5 | 86.1 |
| 10–499 employees | 73.2 | 84.9 | 87.3 |
| 500 or more employees | 74.2 | 87.2 | 87.6 |
| <i>Trade union/ staff association in workplace</i> | | | |
| No | 70.4 | 84.3 | 88.3 |
| Yes | 76.6 | 87.5 | 86.7 |
| All | 73.4 | 85.8 | 87.5 |

When multivariate models are calculated (see Table A3.1 in the appendix to this chapter), we find that the lower perception of equality in the transport and communication sector and the financial and business services sector remains significant and becomes significant in the retail and wholesale sector. It is interesting that these last two sectors have relatively high 'raw' gender pay gaps (McGuinness et al., 2009).²⁷ Therefore, it may be that these sectoral gender differences reflect employees' sense of the actual level of wage dispersion within their industries.²⁸

Perceptions of equality and fairness in the workplace are also found to vary by personal characteristics (see Table 3.7). In contrast to surveys on discrimination, which typically ask about personal experiences (Russell et al., 2010), respondents were answering about all employees in their organisation. Nevertheless, the patterns found broadly reflect those found when examining experiences of discrimination in the workplace (Russell et al., 2008).

The personal characteristics examined reflect a number of the grounds covered by employment equality legislation in Ireland (age, gender, family status, marital status, ethnicity/nationality and disability) as well as education. Information on membership of other

²⁷ In the case of financial services it was 39.7% in business services it was 26.9%, and in retail/wholesale it was 29%. These levels were only surpassed by education (45%).

²⁸ Further research could investigate wage dispersion more generally.

groups covered by equality legislation was not collected (religion, sexual orientation, membership of the Traveller Community).

Table 3.7: Perceived equal opportunities, by personal characteristics

| | Equal pay and conditions | Equal career development/ promotion opportunities | Equal opportunities recruitment |
|-----------------------------|---|--|--|
| | <i>% Saying Yes</i> | | |
| Male | 72.9 | 86.3 | 87.2 |
| Female | 73.9 | 85.3 | 87.9 |
| Age: under 25 years | 68.9 | 81.6 | 81.5 |
| Age: 25–39 years | 70.6 | 85.2 | 88.8 |
| Age: 40–54 years | 77.2 | 87.4 | 87.7 |
| Age: 55 years and over | 77.8 | 87.9 | 88.1 |
| Single, no kids | 70.9 | 81.8 | 84.1 |
| Couple, no kids under 18 | 72.9 | 84.7 | 88.1 |
| Dependent kids under 18 | 73.5 | 87.4 | 88.3 |
| Born in Ireland | 72.0 | 86.3 | 88.3 |
| Born abroad | 75.7 | 81.2 | 82.7 |
| White | 72.6 | 85.7 | 87.6 |
| Non-White | 74.7 | 77.7 | 79.3 |
| No disability | 26.4 | 13.9 | 12.3 |
| Has disability [†] | 29.5 | 18.9 | 15.7 |
| Primary | 67.7 | 89.2 | 89.7 |
| Junior/Inter Certificate | 71.7 | 84.8 | 87.9 |
| Leaving Certificate | 74.1 | 86.2 | 86.8 |
| PLC diploma, certificate | 71.2 | 85.7 | 87.5 |
| Third-level degree or above | 76.6 | 85.2 | 87.6 |

Notes: Excludes those who answered 'don't. Bold indicates that the difference between the categories is statistically significant.

[†] Daily activity is limited severely or to some extent by a long-term illness, health problem or disability.

Younger employees were significantly less likely than other employees to consider that equal pay and conditions for equal work operated in their workplace. They were also more likely to report inequality in opportunities for career advancement and in recruitment. These age differences are also likely to lie behind the patterns found by family status. Those born outside Ireland were significantly less likely to believe that there was equality in recruitment and career development opportunities than those born in Ireland. This belief may arise from personal experience: although discrimination in recruitment is especially difficult for the applicants themselves to detect, there is evidence that those with non-Irish names are much less likely to pass the initial screening for recruitment than identical candidates with Irish names (see McGinnity et al., 2009).

Those with a long-standing illness or disability that limits activity did not have different attitudes in terms of equal pay and conditions within their workplace, however, they had a somewhat more negative view on equality opportunities in recruitment and even more so in terms of career development.

There is a significant relationship between education and the belief that there are equal pay and conditions for the same job: those with a degree are most likely to agree that this is the case whereas those with primary-level education are least likely.

There is a very strong relationship between the presence of a formal policy on equality and employees' perceptions of equal treatment and opportunity within the workplace (see Table 3.8). For example, only 58% of those in organisations without a formal equality policy feel that there are equal pay and conditions for the same job, compared with just over three-quarters of employees in organisations with such a policy.

Table 3.8: Relationship between perceptions of equality and the presence of a formal equality policy

| | Formal equality policy | No formal equality policy |
|--------------------------------|------------------------|---------------------------|
| | % Saying Yes | |
| Equality in recruitment | 90.3 | 74.5 |
| Equal pay and conditions | 76.8 | 57.5 |
| Equality in career development | 89.4 | 70.0 |

Formal equality policies continue to have a strong positive association with perceptions of equality in the workplace in all three domains (recruitment, pay and conditions, and career development) when a wide range of personal, job and organisational characteristics are taken into account (see Table 3.9). Indeed, presence of an equality policy is found to be the strongest predictor of an employee's perception of the operation of equality in the workplace in all three models (see Table A3.1 in the appendix to this chapter for other model coefficients). In Chapter 6 we use these perceptions as a way of understanding how the presence of an equality policy has an impact on organisational commitment and job satisfaction.

Table 3.9: The effects of an equality policy and flexible working arrangements on perceptions of fairness and equality (summary of logistic regression results)

| | Equality in recruitment | Equal pay and conditions | Equality in career development |
|--------------------------------|-------------------------|--------------------------|--------------------------------|
| Formal equality policy present | 1.284*** | 0.667*** | 1.153*** |
| Flexible work practices (0–4) | .174*** | 0.097** | .146*** |

Notes: Each model controls for: age, gender, ethnicity, nationality, contract status (temporary/permanent), job tenure, part-time/full-time hours, education level, trade union membership, sector and firm size. 'Don't knows' on dependent variable are excluded. Full model results are presented in Table A3.1 in the appendix to this chapter.

** P≤.01; *** P≤.001.

It is worth noting that the presence of flexible working arrangements also has a strong positive association with an employee's belief that there is equality of opportunity in the place of work. It is not possible with cross-sectional data to detect causality. These associations suggest that organisations with work practices that are employee-centred and that facilitate diversity (i.e. equality policies and flexible working) are observed as having greater equality across an important range of activities and rewards by their employees. However, a systematic test of effects of equality policies would require linked employee and employer data (i.e. groups of employees within different organisations).

3.4 Summary

The National Workplace Surveys indicate that formal equality policies spread throughout the Irish workplace over the period from 2003 to 2009. Coverage was already high in the public sector, but according to employees, private sector employers increasingly adopted such policies in the intervening period. The presence of such policies is strongly linked to

employees' perceptions of fairness in recruitment, pay and conditions, and career development. However, this is not to say that the presence of such policies alone will improve equality in the workplace and reduce discrimination. Such outcomes will depend upon the vigour with which these policies are implemented, the extent to which breaches in policy are addressed, the wider organisational culture and the range of other workplace practices that support the sentiments within the equality policy. Nonetheless, the presence of such policies is likely to signal to employees that issues of equality of opportunity are recognised within the workplace, and should legitimise other efforts to promote equality and reduce discrimination.

In the chapters that follow we investigate the influence of formal equality policies on outcomes such as work–life conflict, work pressure, job satisfaction, organisational commitment, output innovation, absenteeism, earnings and autonomy. We also consider whether perceived fairness within the organisation increases satisfaction and commitment. While these outcomes are of obvious benefit to employees, they may also pay dividends for employers.

Chapter 3 Appendix

Table A3.1: Logistic regression models of employees' perceptions of equality

| | Equality in recruitment | | Equal pay and conditions | | Equality in career development | |
|---------------------------------|-------------------------|-------------|--------------------------|-------------|--------------------------------|-------------|
| | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> |
| | B | | B | | B | |
| Age: 25–39 years | .414 | * | –.139 | n.s. | –.038 | n.s. |
| Age: 40–54 years | .320 | n.s. | .204 | n.s. | .015 | n.s. |
| Age: 55 years and over | .357 | n.s. | .422 | * | .233 | n.s. |
| Female | .055 | n.s. | .092 | n.s. | –.068 | n.s. |
| Ethnic minority | –.244 | n.s. | .153 | n.s. | –.341 | n.s. |
| Born abroad | –.265 | n.s. | .092 | n.s. | –.252 | n.s. |
| Children under 18 | –.008 | n.s. | .004 | n.s. | .118 | n.s. |
| Single | –.003 | n.s. | .078 | n.s. | .066 | n.s. |
| Inter Certificate level | –.072 | n.s. | .257 | n.s. | –.123 | n.s. |
| Leaving Certificate | –.048 | n.s. | .426 | * | .048 | n.s. |
| PLC diploma | –.177 | n.s. | .377 | * | –.031 | n.s. |
| Degree | –.087 | n.s. | .497 | ** | –.060 | n.s. |
| Less than 1 year in the job | .430 | * | .184 | n.s. | .392 | * |
| 1–5 years in the job | .187 | n.s. | –.040 | n.s. | .217 | * |
| Part-time hours | .088 | n.s. | .016 | n.s. | .048 | n.s. |
| Temporary/casual | –.299 | * | –.037 | n.s. | –.351 | ** |
| Trade union at work | –.366 | ** | .181 | * | –.038 | n.s. |
| 1–5 employees | .140 | n.s. | –.328 | n.s. | –.011 | n.s. |
| 20–99 employees | –.047 | n.s. | –.463 | * | –.216 | n.s. |
| 100–499 employees | –.214 | n.s. | –.534 | ** | –.426 | n.s. |
| 500 plus employees | –.176 | n.s. | –.493 | ** | –.255 | n.s. |
| Construction | –.164 | n.s. | –.151 | n.s. | –.032 | n.s. |
| Retail and wholesale | –.525 | ** | –.290 | * | –.225 | n.s. |
| Hotel | –.293 | n.s. | –.199 | n.s. | –.114 | n.s. |
| Transport and communication | –.308 | n.s. | –.333 | * | –.017 | n.s. |
| Financial and business services | –.074 | n.s. | –.317 | * | –.135 | n.s. |
| Public administration | –.042 | n.s. | .174 | n.s. | .032 | n.s. |
| Education | –.313 | n.s. | –.099 | n.s. | –.251 | n.s. |
| Health | –.013 | n.s. | .040 | n.s. | –.096 | n.s. |
| Other services | .152 | n.s. | –.283 | n.s. | –.047 | n.s. |
| No. of flexible work practices | .174 | *** | .097 | ** | .146 | *** |
| Equality policy | 1.284 | *** | .667 | *** | 1.153 | *** |
| Constant | .992 | ** | .296 | n.s. | 1.082 | ** |
| Model chi-square | 224.27 | *** | 179.713 | *** | 182.846 | *** |
| Nagelkerke R square | .084 | | .054 | | .067 | |
| N of cases | 5065 | | 4792 | | 4918 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Table A3.2: Modelling change in equality policies, 2003–2009 (nested logistic regression models)

| | Coef. (<i>unstand.</i>) | Sig. |
|--|------------------------------------|-------------|
| Year effects (2003 base category) | | |
| Model A 2009 only | 0.706 | 0.000 |
| Model B 2009 plus sector | 0.697 | 0.000 |
| Model C 2009 plus sector and occupation, contractual status and trade union membership. | 0.700 | 0.000 |
| Model D all previous plus gender, age and education | 0.676 | 0.000 |

Source: National Workplace Surveys 2003 and 2009, pooled data.

Note: These models exclude those who answered 'don't know' to the question on equality policy, but the pattern of results is identical if 'don't know' and 'no' responses are combined. Contact authors for further details and full models.

4 THE INCIDENCE AND NATURE OF FLEXIBLE WORKING ARRANGEMENTS

4.1 Introduction

Increasing diversity in the workplace, in particular the rapid rise in female participation in employment, combined with the growth of service sector jobs has been accompanied by growing flexibility in the workplace. Factors often cited as encouraging employers to adopt flexible policies include employee retention, reduced absenteeism, improved motivation and productivity, as well as changes in human resource management and technology that may facilitate working from home. Another key factor is the increasing demand from employees for greater flexibility. Of course the distribution of such practices may vary according to the type of flexibility offered, the nature of the job and the size of the organisation. For example, previous research in Ireland has found that these arrangements are more common in the public sector than in the private sector and that women make use of them more frequently than men (Drew et al., 2003; O'Connell and Russell, 2005).

What are the likely consequences for employee flexibility of the sharp and deep recession documented in Chapter 2? Employers may require or facilitate reductions in working hours given fallen demand. Alternatively, increased pressure to be productive may reduce flexibility options – the 'retrenchment in employer-centred flexibility in the face of recession', as described by Hegewisch (2009, p. 60). Given differences across industrial sectors, the changing nature of jobs may play a role in their incidence and distribution, for example the dramatic contraction of employment in construction.

Flexible working arrangements are generally defined as any that deviate from the standard working week with fixed hours where work is carried out at the employer's premises (see Chapter 1, Section 1.4 for a more detailed discussion). In this report we consider four key types of flexible working arrangement: working from home; flexible working hours or flexitime – this is sometimes within set parameters, but also includes more informal forms of flexitime; part-time work; and job sharing. Each of these arrangements offers a slightly different form of flexibility. Working from home allows flexibility of location; flexitime allows flexibility on allocation of hours; part-time work offers reduced working hours; job sharing allows two individuals to share the tasks associated with one job.

Clearly different jobs may accommodate different types of flexibility more easily than others, and different people may require different forms of flexibility. This chapter will investigate the availability of and personal involvement in these kinds of flexible working arrangement. We also consider briefly how these are related to overall working hours and to working unsocial hours, although this is generally seen as a type of flexibility benefiting employers rather than employees (e.g. Gallie and Russell, 2009).

The main report of the National Workplace Survey 2009 (O'Connell et al., 2010a) presents descriptive information on the distribution of flexible working arrangements among employees in Ireland and we first present a summary of these results. We consider flexible working arrangements by working hours and whether these are unsocial hours. We then present more detail on the distribution of flexible working arrangements by industrial sector and by size of organisation, as well as by gender, before going on to apply statistical modelling techniques to examine how the availability of and participation in flexible working arrangements varies across different organisations, different jobs and the personal characteristics of employees. We also conduct some tests to find out whether changes in the composition of the workforce and the nature of jobs since the previous survey in 2003 have influenced the availability of flexible working arrangements.

It is worth noting that this chapter draws on a survey of employees for information on both the availability of and participation in these measures. To the extent that individuals are not well informed, there may be some misreporting of the availability of the measures. Misreporting is much less likely in the case of personal involvement.

4.2 Changes in Flexible Working Arrangements, 2003–2009

There was a marked increase in the incidence of most flexible working arrangements between 2003 and 2009. This is true whether we consider availability or personal involvement. The incidence of home working, flexible working and part-time work has risen markedly: the rise in the proportion job sharing is more modest. Note that the 2009 survey applied a more restrictive definition of home working than was used in the 2003 survey, confining the question of who worked from home during normal office hours in order to exclude cases of employees bringing home additional work with them in the evenings and at weekends. This change was introduced to avoiding biasing the estimate of the relationship between working from home and work pressure (see O’Connell and Russell, 2005; Russell et al., 2009b). As shown in Table 4.1, even with that adjustment, we find an increase in the availability of this form of flexibility in the workplace (from 14% in 2003 to 21% in 2009) and in terms of personal involvement in working from home (from 8% in 2003 to 12% in 2009).

Table 4.1: Extent of flexible working arrangements, 2003 and 2009

| | 2003 % | 2009 % |
|------------------------------|-----------|-----------|
| <i>Used in the workplace</i> | | |
| Home working | 13.6 | 21.3 |
| Flexible hours/flexitime | 42.9 | 47.4 |
| Part-time work | 53.4 | 61.3 |
| Job-sharing | 29.5 | 31.5 |
| <i>Personally involved</i> | | |
| Home working | 8.0 | 12.4 |
| Flexible hours/flexitime | 22.8 | 29.2 |
| Part-time work | 20.0 | 25.8 |
| Job sharing | 6.1 | 9.3 |
| N (unweighted) | 5161 | 5110 |

Note: 2009 figures are for home working in normal working hours, in 2003 the question was simply about home working. Also, ‘don’t knows’ at organisational level have been excluded, and ‘don’t knows’ on personal involvement are included with the ‘no’ category.

Part-time work remains the most common form of flexible working available in workplaces, with 61% of employees reporting it was available in their organisation in 2009. Flexitime is also widely available, with 47% of employees reporting its availability; and a higher proportion of employees are personally involved in flexitime (29%) than in part-time work (26%). As in 2003, home working and job sharing are much less common forms of flexible working arrangement among employees and in 2009 only 12% of employees are involved in home working and 9% in job sharing.

The 2009 survey also asked those who are personally involved in working from home how often they do so. Of the 12% of employees personally involved in home working, 27% work from home less than once per month; 22% work at home 1 to 3 times per month; 32% work at home weekly but not every day; and 19% work at home 5 or more days per week. The frequency of home working clearly varies in this sample, but is certainly not infrequent.

More private sector employees work from home than public sector employees, both in terms of their organisation using this option and personal involvement; this a change from 2003 (see Table 4.2). Indeed, this is the only flexible working arrangement for which use is markedly higher in the private sector, although we cannot assume there was no increase in the public sector, due to the change in the survey's definition of working from home.

Table 4.2: Extent of flexible working arrangements, by sector, 2003 and 2009

| | 2003 | | 2009 | |
|------------------------------|--------|--|--------|--|
| | Public | Private (including commercial semi-state) | Public | Private (including commercial semi-state) |
| | % | % | % | % |
| <i>Used in the workplace</i> | | | | |
| Home working | 15.0 | 13.3 | 15.8 | 22.8 |
| Flexible hours/flexitime | 47.7 | 41.8 | 48.3 | 47.2 |
| Part-time work | 61.3 | 51.5 | 66.8 | 59.8 |
| Job sharing | 58.0 | 22.7 | 55.4 | 24.8 |
| <i>Personally involved</i> | | | | |
| Home working | 9.0 | 7.8 | 9.7 | 13.1 |
| Flexible hours/flexitime | 26.8 | 22.2 | 29.8 | 29.0 |
| Part-time work | 22.6 | 19.6 | 23.9 | 26.4 |
| Job sharing | 12.8 | 4.6 | 13.4 | 8.2 |
| N (unweighted) | 1629 | 3532 | 1664 | 3446 |

Notes: 2009 figures are for home working in normal working hours, in 2003 the question was simply about home working. Also, 'don't knows' at organisational level have been excluded, and 'don't knows' on personal involvement are included with the 'no' category.

The incidence of flexitime was very similar in the public and private sectors in 2009: though the increase since 2003 was much more marked in the private sector than in the public sector, where the incidence remained almost unchanged. This is true of both the proportion of employees who say flexitime is available in their workplace and the proportion who are personally involved. These findings contrast with earlier findings from the UK, where flexitime is much more common in the public sector than in the private sector (Smeaton et al., 2007).

The incidence of part-time work is high in both public and private sectors, and has risen since 2003. It is highest in the public sector in terms of availability (67% of employees report availability) than in the private sector (60%). However, personal involvement in part-time work, at 26% of employees, is actually slightly higher in the private sector than in the public sector (24%), which is a change from 2003.

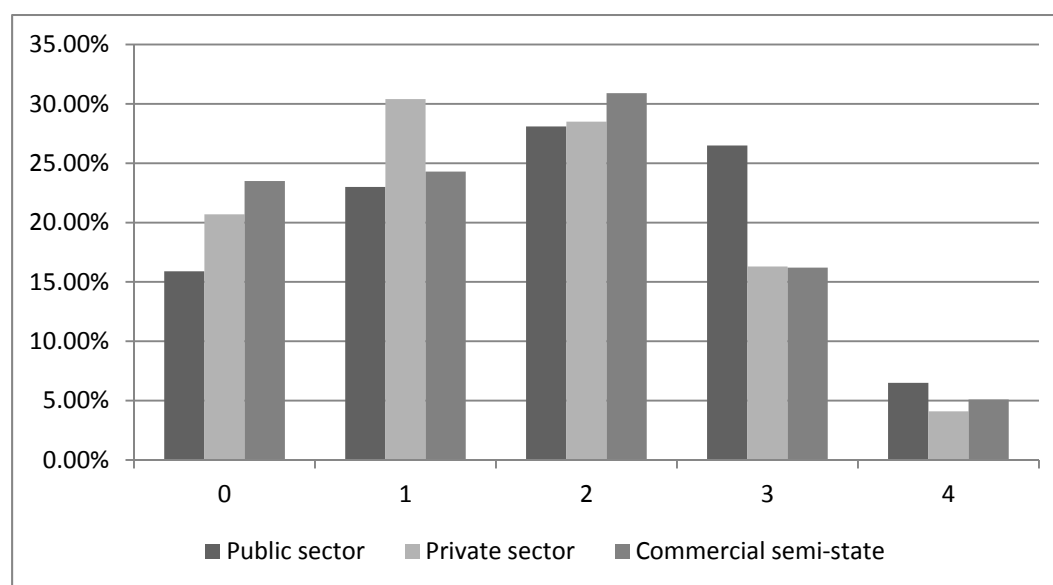
Job sharing is considerably more common in the public sector. This is particularly true in terms of availability, but also in terms of personal involvement: 13% of public sector employees and 8% of private sector employees are involved in job sharing.

Some information on the availability of flexitime and part-time work is available from a companion workplace survey of employers conducted at the same time as the employee survey. In the employer survey, 75% of public sector organisations and 65% of private sector organisations said that flexitime is available in their companies (Watson et al., 2010, Table

6.1).²⁹ This suggests some under-reporting by both private and public sector employees of the availability of flexitime (see Table 4.2), particularly the latter. In terms of part-time work, 87% of public sector companies and 70% of private sector companies reported the availability of part-time work. Once again, this suggests some under-reporting of the availability of part-time work by employees (see Table 4.2). In both cases the discrepancies could also be due to differences in interpretation.

To what extent do flexible working arrangements cluster in particular organisations? Figure 4.1 presents the number of flexible working arrangements employees reported as being available in their organisation, distinguishing the public, private and commercial semi-state sectors. It is clear from the figure that most organisations offer a number, but not all, of the flexibility options. Interestingly, most employees in public sector organisations reported either two or three forms of flexible working arrangement. The highest proportion of employees in the private sector reported one flexible working arrangement being available.

Figure 4.1: Number of flexible working arrangements, by sector



Only a minority of employees are working in organisations with no flexible work options: 15% in the public sector and 20% in the private sector. The mean number of flexible working arrangements is 1.8 in the public sector, 1.5 in the private sector and 1.5 in commercial semi-state organisations. The mean number of the same flexible working arrangements was 1.8 in the public sector and 1.3 in the private sector in 2003 (Russell et al., 2009b).

Table 4.3 presents other key indicators of working hours for those personally involved in flexible working arrangements: average working hours, the proportion working long hours (defined here as 45 hours or more per week) and the proportion working unsocial hours.

Given that some authors have argued that a key benefit of employee-centred flexible working arrangements for both employers and employees alike is reducing overall working hours and in particular the incidence of working long hours (e.g. Johnson et al., 2008), it is interesting to note the variations between flexible working arrangements in this regard. In fact, employees who work from home are working an average of 38 hours per week, which is significantly longer than the average for all employees (35 hours). Flexitime workers have

²⁹ This was a survey of employees but weighted to total employment (see Watson et al., 2010).

slightly lower working hours than all employees, while part-time workers (24 hours) and those involved in job sharing (30 hours) have much lower hours.³⁰

The proportion working over 45 hours per week also varies dramatically. Over 27% of those who regularly work from home usually work more than 45 hours per week, compared with around 15% of all employees, 13% of those working flexitime, 8% of job sharers and almost no part-time workers. Clearly working from home does not reduce the incidence of long working hours, at least in Ireland. Long working hours are typically associated with high levels of work–life conflict and work pressure, which is investigated further in Chapter 5.

Table 4.3: Working hours among those involved in flexible working arrangements

| | Personally involved working from home | Personally involved in flexitime | Personally involved in part-time work | Personally involved job sharing | All employees |
|--|--|---|--|--|--------------------------|
| Usual working hours (weekly, mean) | 38 hours | 34 hours | 24 hours | 30 hours | 35 hours |
| Proportion working long hours (45+) | 27.3% | 13.0% | – | 8.1% | 14.6% |
| <i>Unsocial hours:</i> | | | | | |
| Never | 19.3% | 31.6% | 40.2% | 38.4% | 34.1% |
| Less than once a month | 18.2% | 13.6% | 10.0% | 9.1% | 12.3% |
| Once/several times a month a month | 29.9% | 24.6% | 13.2% | 22.0% | 22.1% |
| Every week | 32.5% | 30.1% | 36.4% | 30.4% | 31.2% |

Notes: The figures for long hours are calculated using usual working hours per week. The number of part-time workers doing long hours is very small so it is not reported. A small number of cases did not respond to the question on unsocial hours and these are not included in the table, which is why the proportions of each group do not add up to 100 for unsocial hours.

Unsocial hours, defined as working weekends, evenings and nights, are often seen as another form of flexible working. They are typically associated with higher levels of work–life conflict, either measured separately (Steiber, 2009) or combined (McGinnity and Calvert, 2009). How often do those personally involved in working from home, flexitime, part-time hours and job sharing work unsocial hours? What is interesting from Table 4.3 is that while around 40% of those involved in part-time work and job sharing say they never work unsocial hours, this is true of only 19% of those involved in working from home and 32% of those involved in flexitime. That said, over one-third of part-time workers work unsocial hours weekly, which is above average for the whole sample.

Table 4.4 presents the proportion of employees reporting the availability of flexible working arrangements by industrial sector and organisational size. The distribution of particular forms of flexibility varies substantially across industrial sectors. Working from home is less frequent in construction, retail, hospitality and health: these jobs typically require employees to be present in the workplace. It is particularly common in financial and business services, with over one-third of employees reporting its availability. Flexible hours are also very commonly used in financial and business services (55%), as well as in public administration (58%) and health (55%) and, to a lesser extent, in retail, hospitality and transport. Use of flexible hours is relatively low in construction (29%) and education (31%), the latter presumably because

³⁰ Note that any given individual may be involved in multiple flexible working arrangements, e.g. part-time work and flexitime, and this will influence mean work hours for each group.

most employees in this sector are teaching and work to a tightly fixed schedule. Part-time work is very commonly used in retail (73%) and hospitality (84%), and also in the largely public sector areas of education (78%) and health (77%). Its availability in construction, at less than 19%, is very low. Job sharing is most commonly available in the public sector, as noted above: public administration (56%), education (44%) and health (49%). It is less commonly available in other industrial sectors, in particular construction, where less than 6% of employees report that it is available in their companies.

Note that sector is distinguished according to the activity of the organisation, not the individual. For example, there could be accountants and architects employed by a building firm in 'construction'. So when we investigate the relatively high proportion of those working in manufacturing who work at home, many of those personally involved are in professional, managerial and clerical occupations, whereas those involved in flexitime are drawn from a range of occupations.

Table 4.4: Flexible working arrangements used, by sector and size

| | Organisation uses working from home % | Organisation uses flexitime % | Organisation uses part- time working % | Organisation uses job sharing % |
|--|---|--|---|--|
| <i>Economic sector</i> | | | | |
| Manufacturing and primary | 26.6 | 48.4 | 43.6 | 31.2 |
| Construction | 14.6 | 29.0 | 18.7 | 5.8 |
| Wholesale and retail | 13.8 | 46.6 | 73.4 | 20.0 |
| Hospitality | 11.6 | 47.0 | 83.9 | 27.8 |
| Transport and communication | 22.3 | 45.5 | 53.3 | 28.3 |
| Financial and business services | 36.7 | 54.7 | 65.1 | 29.5 |
| Public administration, defence | 16.5 | 58.2 | 45.9 | 55.9 |
| Education | 20.8 | 30.7 | 77.9 | 44.3 |
| Health | 14.6 | 55.2 | 77.4 | 48.9 |
| Other services | 22.7 | 50.4 | 70.2 | 17.8 |
| <i>Organisational size[†]</i> | | | | |
| Fewer than 5 employees | 24.2 | 44.0 | 43.1 | 10.8 |
| 5–19 employees | 17.6 | 40.9 | 53.0 | 14.9 |
| 20–99 employees | 20.0 | 36.4 | 60.4 | 22.5 |
| 100–499 employees | 25.1 | 46.8 | 59.6 | 27.6 |
| 500 or more employees | 21.3 | 52.8 | 66.1 | 44.4 |
| All | 21.3 | 47.4 | 61.3 | 31.5 |

[†] Refers to the size of the total enterprise/organisation rather than the local unit where the respondent works (excludes don't knows).

It is of note, however, that flexible working arrangements are more common in manufacturing in Ireland, relative to other sectors, than is the case in the UK. For example, in a survey of parents, six out of ten employees in manufacturing in the UK stated that they did not have access to any type of flexible working, compared with around one-third of employees in the financial sector (35%) or in social services (32%) (Ellison et al., 2009). Is this because such a high proportion of employees in manufacturing (over 50%) work in hi-

tech manufacturing³¹? As in Chapter 3, when we distinguish traditional manufacturing from hi-tech manufacturing, we find that employees working in hi-tech manufacturing are more likely to have flexitime available in their organisation (51% hi-tech; 44% traditional), as well as part-time work (47% hi-tech; 42% traditional) and job sharing (36% hi-tech; 27% traditional). Employees working in hi-tech manufacturing are slightly less likely to have home working available (25% hi-tech; 27% traditional). The mean number of flexible work practices available in hi-tech manufacturing is 1.6, which is the mean for all organisations. The mean for traditional manufacturing is 1.4, suggesting that flexible working arrangements are somewhat less common in the traditional manufacturing sector.

In terms of organisational size, it is not clearly the case that larger companies are more likely to offer flexible working arrangements. The exception to this is job sharing, which is much more commonly used by larger companies. Note here that the size of the organisation will be closely connected to sector. As Watson et al. (2010) note, employment in the public sector is dominated by large employers: 96% of public sector employment is in organisations with over 250 employees, compared with only 11% in the private sector. Employees in companies with over 20 employees are more likely to report that part-time work is available.

We now consider the availability and use of flexible working by gender (see Table 4.5). Home working is the only flexible working arrangement that is more common among men. It is more commonly available in organisations where men work than in those where women work, and there are more men personally involved than women. This was also the case in 2003. Flexitime, either availability of or personal involvement in, is more common for women, as was the case in 2003. However, the gender difference is not large: the proportion of men working flexible hours (27%) is just somewhat lower than for women (32%). Gender differences are much more marked in the case of part-time work, with 39% of women personally involved in part-time work, compared with 12% of men. Job sharing, which is much less commonly available or participated in overall, is also much more common among women. Both part-time work and job sharing are typically associated with lower weekly incomes, as the working hours are lower. Interestingly, the flexible working arrangements that men have a greater tendency to be involved in are working from home and flexitime.

Given the economic recession, is the growth in part-time working due to a rise in involuntary part-time hours, particularly for men? This survey does not include a measure of under-employment, or involuntary part-time work, but does measure dissatisfaction with hours worked.³² Around 13% of employees are dissatisfied with their hours worked, and this dissatisfaction is more common among part-time workers (15%) than full-time workers (12.5%). This difference is particularly marked for male employees: 21% of male part-time workers are dissatisfied with their hours worked, compared with 13% of full-time workers. The difference for women is not significant (13% of female part-time workers, compared with 12.5% of full-time workers).

Interestingly, in 2003 there was no difference between male part-time and full-time workers in terms of dissatisfaction with hours; and among women, part-time workers were more satisfied with their hours than full-time workers. This suggests that some of the rise in part-time work between 2003 and 2009 may be involuntary, particularly for men, though of course dissatisfaction with hours includes not only those who want to work more, but also those who want to work less.

³¹ Traditional manufacturing (food and beverages, publishing/printing, electricity, gas, furniture) and hi-tech manufacturing (chemical and pharmaceutical industries, precision instruments, machinery and equipment) (see Watson et al., 2010).

³² Estimates of the change in involuntary part-time work from other sources, namely the QNHS, are complicated by the fact that the definition of involuntary part-time work changed during the period 2003 to 2009.

Table 4.5: Flexible working arrangements, by gender, 2003 and 2009

| | 2003 | | 2009 | |
|------------------------------|----------|------------|----------|------------|
| | Men % | Women % | Men % | Women % |
| <i>Used in the workplace</i> | | | | |
| Home working | 16.0 | 10.9 | 24.0 | 18.7 |
| Flexible hours/flexitime | 38.5 | 48.0 | 44.3 | 50.5 |
| Part-time work | 39.0 | 69.6 | 45.5 | 76.6 |
| Job sharing | 21.7 | 38.4 | 26.0 | 36.9 |
| <i>Personally involved</i> | | | | |
| Home working | 10.3 | 5.3 | 14.2 | 10.6 |
| Flexible hours/flexitime | 20.2 | 25.9 | 26.5 | 31.8 |
| Part-time work | 8.8 | 32.8 | 12.2 | 38.9 |
| Job sharing | 3.3 | 9.2 | 6.8 | 11.8 |
| N (unweighted) | 2396 | 2760 | 2431 | 2679 |

4.3 Modelling Flexible Working Arrangements

We now model the availability of and participation in flexible working arrangements. These models allow us to disentangle the impact of a whole series of effects, while holding other factors constant. This enables us to measure the ‘net effect’ of sector, organisational, job and personal factors. As in Chapter 3, the asterisks in these tables indicate whether the results are robust or ‘statistically significant’ (i.e. whether we can be confident that the differences would not have been generated by chance). Where we cannot rule out that the results were generated by chance, this is indicated in the tables by ‘n.s.’, meaning ‘not statistically significant’. Tables 4.6 and 4.7 present the results of a these models.

4.3.1 Availability of flexible working arrangements

The first model shows that home working is significantly less likely in the retail, hospitality, education and health sectors (Model 1, Table 4.6). It is very much more likely in professional or managerial jobs,³³ and less likely in organisations where a trade union is recognised. This suggests that home working is a feature of ‘high end’, high skilled and possibly high pressure jobs. Home working is also more likely in very small firms (with fewer than five employees), even after controlling for other factors.

Flexible working (Model 2, Table 4.6) is much more widespread, but is least likely to be available in construction, transport or education sectors relative to manufacturing. It is not commonly available for craft and related occupations, personal services and machine operatives. It is more commonly available in clerical and professional/managerial occupations.

Part-time work (Model 3, Table 4.6) is most likely to be available to employees in the retail, hospitality, finance, education and health sectors, but not in construction. It also tends to be available in bigger organisations. It is more commonly available in associate professional or technical occupations, as well as clerical and sales occupations. Those on temporary

³³ This is indicated by the negative and significant coefficients on all the other occupational categories, aside from professional occupations, which do not differ from managerial occupations.

contracts are also more likely than permanent counterparts to work in organisations where part-time work is available.

Job sharing (Model 4, Table 4.6), which is much less commonly available, is more typical of jobs in hospitality and the public sector (public administration, education, health). It is particularly likely to be available in bigger organisations, especially those with over 500 employees, and where a trade union is recognised. In terms of occupations, it is more commonly available for associate professional and technical workers and clerical workers.

Table 4.6: Logistic regression models of availability of flexible working arrangements

| | Model 1 | | Model 2 | | Model 3 | | Model 4 | |
|---------------------------------------|--------------|------|-----------|------|-----------|------|-------------|------|
| | Home working | | Flexitime | | Part time | | Job sharing | |
| Sector: Ref. Manufacturing | | | | | | | | |
| Construction | −0.381 | n.s. | −0.657 | *** | −0.525 | ** | −1.112 | *** |
| Retail | −0.901 | *** | −0.085 | n.s. | 0.984 | *** | −0.146 | n.s. |
| Hospitality | −0.949 | *** | 0.297 | n.s. | 1.942 | *** | 0.536 | ** |
| Transport | −0.133 | n.s. | −0.321 | * | 0.092 | n.s. | −0.264 | n.s. |
| Business and finance | 0.173 | n.s. | 0.081 | n.s. | 0.555 | *** | 0.055 | n.s. |
| Public admin., defence | −0.209 | n.s. | 0.406 | ** | 0.001 | n.s. | 0.927 | *** |
| Education | −0.721 | *** | −1.110 | *** | 1.136 | *** | 0.463 | *** |
| Health | −0.817 | *** | 0.110 | n.s. | 1.204 | *** | 0.778 | *** |
| Other services | −0.302 | n.s. | 0.075 | n.s. | 0.915 | *** | −0.107 | n.s. |
| Size: Ref. 1–4 employees [†] | | | | | | | | |
| 5–19 employees | −0.890 | *** | −0.237 | n.s. | 0.553 | ** | 0.183 | ** |
| 20–99 employees | −0.682 | *** | −0.368 | * | 0.549 | *** | 0.669 | *** |
| 100 + employees | −0.402 | * | 0.001 | n.s. | 0.612 | *** | 0.859 | *** |
| 500+ employees | −0.442 | * | 0.017 | n.s. | 0.677 | *** | 1.116 | *** |
| Occupation: Ref. Managerial | | | | | | | | |
| Professional | 0.053 | n.s. | 0.111 | n.s. | −0.023 | n.s. | 0.049 | n.s. |
| Assoc. professional, technical | −0.815 | *** | 0.134 | n.s. | 0.222 | n.s. | 0.613 | *** |
| Clerical | −0.991 | *** | 0.099 | n.s. | 0.537 | *** | 0.444 | *** |
| Craft and related | −1.631 | *** | −0.406 | ** | −0.886 | *** | −0.659 | *** |
| Service | −1.321 | *** | −0.272 | * | 0.050 | n.s. | −0.174 | n.s. |
| Sales | −1.297 | *** | 0.042 | n.s. | 0.769 | *** | −0.279 | n.s. |
| Plant and machine operatives | −1.785 | *** | −0.480 | *** | −0.358 | * | −0.113 | n.s. |
| Other occupations | −1.200 | *** | −0.605 | ** | −0.942 | *** | −1.353 | *** |
| Trade union recognised | −0.583 | *** | −0.010 | n.s. | 0.050 | n.s. | 0.752 | *** |
| Temporary contract | −0.075 | n.s. | 0.012 | n.s. | 0.662 | *** | −0.060 | n.s. |
| Equality policy | 0.147 | n.s. | 0.489 | *** | 0.020 | n.s. | 0.399 | *** |
| Constant | 0.477 | * | −0.224 | n.s. | −0.703 | *** | −2.487 | *** |
| N of cases | 5074 | | 5073 | | 5065 | | 5035 | |
| Model chi-square (D.o.F.) | 604.1 | | 349.9 | | 775.1 | | 984.1 | |
| Nagelkerke R square | 0.172 | | 0.089 | | 0.197 | | 0.242 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

[†] Some employees (n=75) do not know either the size of their organisation or the size of their local unit. These missing values are included in the model but not presented. From the size of the coefficients we assume they are large firms.

It is of note that companies with fewer than five employees are just as likely to use flexitime and/or working from home as larger organisations. In fact, working from home is more likely to be available in companies with fewer than five employees. While we might have expected smaller firms to be less likely to offer flexible work arrangements, which may be seen as

proportionately more costly for them, or because they may not be aware of legislation, this is not the case. However, this may be offset by other factors operating in smaller firms, such as better management/staff relationships (O'Connell et al., 2010a). It may also reflect a greater ease in achieving flexibility and family-friendly arrangements in small enterprises because of an organisational structure that is characterised by informality, flexibility, high levels of interaction and access by employees to senior management. This may make it easier to tailor working arrangements to individual need rather than following agreed guidelines laid down at national level (Humphreys et al., 2000; Russell et al., 2011; and internationally, Hegewisch, 2009). Hegewisch (2009) also notes that it is medium-sized companies that are more likely to report problems with the implementation of flexible working, as they are too big to rely on informality, but too small to have the resources for developing formal policies. There is some evidence to support a similar pattern in Ireland, at least for flexitime: companies with between 20 and 99 workers are less likely to report flexitime being available (see Table 4.6).

The 2003 survey found an association between the availability of all types of flexible working arrangements and equality policies (O'Connell and Russell, 2005). The 2009 results show that flexitime and job sharing are much more likely to be available in companies where there is a formal equality policy; however, there is no association between either working from home or part-time work and the presence of a formal equality policy. The fact that equality policies are now much more widespread may explain part of the reduced effect.

The low availability of flexible working arrangements in the construction sector, shown in Table 4.4, is borne out by the models presented in Table 4.6. All four flexible working arrangements are much less likely to be available in the construction sector than in manufacturing. The collapse of construction, outlined in Chapter 2, may be one factor that explains the rise in the proportion of men involved in a wide range of flexible working arrangements since 2003 (see Table 4.5).³⁴

This raises broader questions about the extent to which the change in the availability of flexible working arrangements in the period is due to sectoral changes in the nature of employment, or to other changes in the nature of jobs, such as those outlined in Chapter 2. Indeed, to what extent is the change a result of the changing workforce, in particular changes in the gender composition of the workforce and rising educational qualifications? We tested the role of compositional factors using the same modelling strategy as in Chapter 3 for equality policies, and closely following Russell and McGinnity (2011). This pools the 2003 and 2009 data, and runs successive models on each of the flexible work arrangements, showing what happens to the change across years once additional factors are taken into account.³⁵ The results are presented in Table A4.2 (see appendix to this chapter).

Model A simply tests the difference in the incidence of home working, flexitime, part-time work and job sharing between 2003 and 2009, with 2003 as the base category. The coefficient for 2009 shows that all forms of flexible working are more commonly available in 2009. Model B accounts for sectoral change. Here we see that the rise of job sharing is accounted for by the shifting sectoral distribution of employment. The 2009 coefficient is no longer significant once we account for sectoral change. Part of the rise in the availability of part-time employment is accounted for by sectoral change (i.e. rise in employment in health services, fall in construction), but only a relatively small part. The rise in the availability of home working and flexitime arrangements is not due to changes in sector, as these coefficients hardly change. In fact, the 2009 coefficient is still highly significant for home

³⁴ To investigate this hypothesis would require further modelling.

³⁵ These models are limited to include factors available in both surveys for this exercise, so nationality is not included, for example, as it was not measured in the 2003 survey.

working, flexitime and part-time work, even after accounting for a range of changes throughout the period (Models C and D). This suggests that while these changes explain part of the increased availability, a significant rise in the availability of these flexible working arrangements is not accounted for by compositional changes in the nature of jobs or in the nature of the workforce. This is an important finding.

4.3.2 Personal involvement in flexible working arrangements

Table 4.7 presents findings from four logistic regressions of personal involvement in each of the four flexible working arrangements. In Table 4.7 the focus is on personal characteristics; job characteristics are presented in Table A4.1 in the appendix to this chapter.³⁶

Table 4.7: Logistic regression models of personal involvement in flexible working arrangements

| | Model 5 | | Model 6 | | Model 7 | | Model 8 | |
|--|---------------------|------|-----------------|------|------------------|------|--------------------|------|
| | Home working | | Flexible | | Part-time | | Job sharing | |
| Female | -0.205 | n.s. | 0.068 | n.s. | 1.491 | *** | 0.761 | *** |
| <i>Age Ref: Under 25 years</i> | | | | | | | | |
| Age: 25–39 years | 1.134 | *** | 0.009 | n.s. | -0.736 | *** | -0.731 | *** |
| Age: 40–54 years | 1.422 | *** | 0.001 | n.s. | -0.380 | ** | -0.576 | ** |
| Age: 55 years and over | 1.472 | *** | -0.005 | n.s. | 0.065 | n.s. | -0.515 | * |
| Single | -0.307 | * | -0.138 | n.s. | 0.055 | n.s. | -0.355 | * |
| <i>Ref: No children</i> | | | | | | | | |
| Youngest child under 5 | 0.297 | * | 0.071 | n.s. | 0.556 | *** | 0.344 | * |
| Youngest child 6–17 | 0.209 | n.s. | 0.037 | n.s. | 0.433 | *** | 0.195 | n.s. |
| <i>Education: Ref: Junior Certificate or lower</i> | | | | | | | | |
| Leaving Certificate | -0.111 | n.s. | -0.099 | n.s. | -0.255 | * | 0.099 | n.s. |
| PLC | 0.184 | n.s. | -0.044 | n.s. | -0.195 | n.s. | -0.150 | n.s. |
| Third level | 0.578 | ** | -0.010 | n.s. | -0.604 | *** | -0.329 | n.s. |
| Born abroad | 0.392 | ** | 0.220 | * | 0.203 | n.s. | 0.137 | n.s. |
| Non-White | -0.286 | n.s. | 0.451 | ** | 0.736 | *** | 1.437 | *** |
| Hours worked | 0.024 | *** | -0.011 | *** | | | | |
| Constant | -2.531 | *** | -0.315 | n.s. | -2.325 | *** | -2.969 | *** |
| N of cases | 5039 | | 5037 | | 5065 | | 5035 | |
| Model chi-square | 693.6 | | 264.7 | | 1375.9 | | 353.3 | |
| Nagelkerke R square | 0.236 | | 0.073 | | 0.338 | | 0.141 | |

Notes: This model also controls for workplace characteristics, but the focus here is on personal characteristics. Hours of work are not included for the models of part-time work and job sharing because they are too similar to the dependent variable (collinearity). The effects for job characteristics are presented in Table A4.1 (see appendix to this chapter).

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

Once we control for other personal and job characteristics, there are no gender differences in the likelihood of working at home (Model 5, Table 4.7). Older, married employees with small children (aged 5 years and under) and third-level education are more likely to be working from home, as are those born abroad. Working from home is associated with longer working hours overall, once we control for other characteristics, confirming the results presented in Table 4.3.

Similarly, for flexitime (Model 6, Table 4.7), there is no indicator that women are more likely to be involved than men, once we control for other factors. It is associated with lower

³⁶ This modelling strategy is somewhat different from O'Connell and Russell (2005). Here the personal involvement was estimated on a subsample of employees who reported that the measure was available in their workplace.

working hours overall, in contrast to home working. There are interesting effects of place of birth and ethnicity: both those born abroad and from ethnic minorities are more likely to be working flexible hours. In general though, personal involvement in flexitime, like its availability, is not particularly concentrated among particular individuals or particular workplaces. Of all the flexible working arrangements, it is the most evenly distributed among employees, at least for the personal and workplace characteristics that we can observe.

Involvement in part-time work (Model 7, Table 4.7) is rather different. This is concentrated in two groups: women without third-level education and younger people from ethnic minorities.³⁷ For the former group, the argument typically pursued is work–life balance or secondary earner. Students are secondary earners too, supplementing their grants with income from part-time work, and their involvement in part-time work in Ireland has been previously documented (O’Connell and McGinnity, 2008). Over half of part-time workers from ethnic minorities are still in education, compared with 10% of non-ethnic minority part-time workers.

Job sharing (Model 8, Table 4.7) is most likely among female workers, and those who are married with small children. Job sharing is also more common among minority ethnic groups. As with part-time work, this is much more common among students – one-third of ethnic minority job sharers are students, compared with 5% of non-minority job sharers. Note that there may be some slippage between the concepts of part-time work and job sharing in a telephone survey, particularly among those who are not native English speakers.

4.4 Summary

This chapter has shown that overall there was an increase in the use of flexible working arrangements between 2003 and 2009. This is true for both availability of and personal involvement in all forms of flexible working arrangements, as reported by employees. While Chapter 2 shows that the period covered both continued economic growth (2003 to late 2007) and recession (2008 and 2009), there is certainly no evidence of retrenchment or reduction in flexible working options in the face of recession.

Are the changes in the composition of jobs and the composition of the workforce outlined in Chapter 2 driving the rise in flexible working arrangements? We formally tested this using pooled models with 2003 and 2009 data. Except in the case of the rise in job sharing, which is accounted for by changes in the sectoral distribution of employment, we find that there is a clear and significant rise in the availability of working from home, flexitime and part-time work that is not accounted for by compositional change.

Changes have been particularly marked in the private sector. In fact, while in 2003, flexible working arrangements were much more prevalent in the public sector, this is not true in 2009. Rates of personal involvement in part-time work and working from home are higher in the private sector, and rates of personal involvement in flexitime working are almost identical in both public and private sectors in 2009. This is in contrast to earlier UK research, which found flexible working arrangements much more commonly available in the public sector (Hegewisch, 2009).

In terms of gender differences in flexible working arrangements, women are much more likely to work part time and to job share. Men are more likely to work from home, although this is accounted for by other personal and job characteristics. After controlling for these, there is no significant gender difference in home working. Gender differences in personal involvement in flexitime are also not significant, accounting for other personal and job characteristics.

³⁷ Employees under 25 years of age and from ethnic minorities are significantly more likely to be involved in part-time work.

In fact, if we consider all employees, flexitime is the most commonly practised form of flexible working with nearly one-third of employees being involved. This is followed closely by part-time work (26% of employees, although dominated by women). Job sharing and home working are more prevalent in 2009 than they were in 2003, but, at 12.4% of employees (personal involvement) working from home and 9% job sharing, they are much less common than the other two measures.

Other findings of note are that flexible working arrangements are not less commonly available in very small companies, and that they are very uncommon in the construction sector.

In the next chapters we examine the impact of flexible working arrangements on employees and organisational outcomes: work pressure, work–life conflict, job satisfaction, commitment, output innovation, absenteeism, earnings and autonomy.

Chapter 4 Appendix

Table A4.1: Logistic regression models of involvement: impact of sector, occupation and other job characteristics

| | Model 5 Home working | | Model 6 Flexitime | | Model 7 Part-time work | | Model 8 Job sharing | |
|------------------------------------|-------------------------|------|----------------------|------|---------------------------|------|------------------------|------|
| | Coef. | Sig. | Coef. | Sig. | Coef. | Sig. | Coef. | Sig. |
| <i>Sector: Ref. Manufacturing</i> | | | | | | | | |
| Construction | 0.278 | n.s. | -0.256 | n.s. | 0.058 | n.s. | -0.213 | n.s. |
| Retail | -0.277 | n.s. | -0.191 | n.s. | 0.741 | *** | -0.160 | n.s. |
| Hotel | -0.228 | n.s. | 0.190 | n.s. | 0.921 | *** | 0.999 | *** |
| Transport | 0.449 | * | -0.173 | n.s. | 0.297 | n.s. | 0.028 | n.s. |
| Business and finance | 0.516 | *** | 0.207 | n.s. | 0.363 | * | -0.008 | n.s. |
| Public admin, defence | -0.296 | n.s. | 0.588 | *** | 0.160 | n.s. | 1.124 | *** |
| Education | 0.086 | n.s. | -0.979 | *** | 0.211 | n.s. | -0.077 | n.s. |
| Health | -0.160 | n.s. | 0.045 | n.s. | 0.408 | * | 0.556 | * |
| Other services | 0.369 | n.s. | 0.083 | n.s. | 0.554 | * | -0.230 | n.s. |
| <i>Size: Ref. 1–4 employees*</i> | | | | | | | | |
| 5–19 employees | -1.083 | *** | -0.430 | * | 0.205 | n.s. | -0.329 | n.s. |
| 20–99 employees | -1.167 | *** | -0.500 | ** | 0.127 | n.s. | -0.138 | n.s. |
| 100–499 employees | -1.044 | *** | -0.335 | n.s. | -0.025 | n.s. | -0.119 | n.s. |
| 500+ employees | -1.074 | *** | -0.415 | * | -0.218 | n.s. | 0.068 | n.s. |
| <i>Occupation: Ref. Managerial</i> | | | | | | | | |
| Professional | 0.016 | n.s. | 0.127 | n.s. | 0.446 | ** | 0.306 | n.s. |
| Associate prof., tech. | -0.763 | *** | 0.153 | n.s. | 0.731 | *** | 0.758 | *** |
| Clerical | -1.010 | *** | 0.149 | n.s. | 0.885 | *** | 0.727 | *** |
| Craft and related | -1.538 | *** | -0.510 | ** | 0.088 | n.s. | -0.142 | n.s. |
| Service | -0.942 | *** | -0.295 | * | 0.907 | *** | 0.270 | n.s. |
| Sales | -0.806 | ** | 0.067 | n.s. | 1.256 | *** | 0.334 | n.s. |
| Plant, machine ops | -1.941 | *** | -0.513 | ** | 0.499 | * | 0.089 | n.s. |
| Other occupations | -0.609 | n.s. | -0.424 | n.s. | 0.116 | n.s. | -0.344 | n.s. |
| Union recognised | -0.764 | *** | -0.120 | n.s. | -0.285 | ** | 0.313 | * |
| Temporary contract | 0.337 | * | -0.002 | n.s. | 1.231 | *** | -0.002 | n.s. |
| Equality policy | 0.096 | n.s. | 0.351 | *** | -0.160 | n.s. | -0.042 | n.s. |
| Constant | -2.531 | *** | -0.315 | n.s. | -2.325 | *** | -2.969 | *** |
| N of cases | 5039 | | 5037 | | 5065 | | 5035 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Table A4.2: Modelling change in the availability of flexible working arrangements, 2003–2009 (nested logistic regression models)

| | Home working | | Flexitime | | Part-time work | | Job sharing | |
|--|--------------|-------------|--------------|-------------|----------------|-------------|--------------|-------------|
| | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> |
| Year effects (2003 base category) | | | | | | | | |
| Model A 2009 only | 0.448 | *** | 0.180 | *** | 0.430 | *** | 0.133 | ** |
| Model B 2009 plus sector | 0.444 | *** | 0.173 | *** | 0.396 | *** | 0.052 | n.s. |
| Model C 2009 plus sector and occupation, contractual status and trade union membership | 0.380 | *** | 0.167 | *** | 0.419 | *** | 0.057 | n.s. |
| Model D all previous plus gender, age and education | 0.347 | *** | 0.142 | *** | 0.449 | *** | 0.051 | n.s. |

Source: National Workplace Surveys 2003 and 2009, pooled data.

Note: Contact authors for further details and full models.

** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

5 THE IMPACT OF EQUALITY POLICIES AND FLEXIBLE WORKING ON WORK PRESSURE AND WORK–LIFE CONFLICT

5.1 Introduction

Chapters 3 and 4 considered the distribution of equality policies and flexible working arrangements in Irish workplaces. In this chapter we consider whether and to what extent equality policies and flexible working arrangements influence employees' experience of their jobs, in particular work pressure and work–life conflict.

Work pressure and work–life conflict are two key indicators of employee well-being. Our measure of work pressure taps into the general intensity of work, and also to time pressure; the work–life conflict measure captures tensions between work and family commitments. High levels of both can have negative consequences for individuals. Work–life conflict is potentially detrimental for productivity, personal effectiveness, relations within the family and child development (Gornick and Meyers, 2003). Research has also shown that high levels of work pressure are associated with a wide range of psychological distress measures and physical health problems such as stomach problems and sleep difficulties (Wichert, 2002; Fairris and Brenner, 2001).

Concerns over work–life conflict came to the fore in Ireland as employment grew rapidly during the economic boom (Russell et al., 2009b). Employment rate rises were particularly pronounced for women, as shown by Russell et al., 2009a, leading to a rise in the proportion of dual-earner households. While employment has recently fallen, the proportion of employees who are women has never been higher (O'Connell et al., 2010), suggesting that the challenge of work–life conflict remains for many families. The recession may also exert opposing pressures on work–life conflict. Reduced working hours may serve to reduce conflict, but increased job insecurity and financial worries may spill over into family life, what is known in the literature as strain-related conflict (Steiber, 2009; O'Connell et al., 2010b). Similarly ambiguous effects of the recession may operate for work pressure. Reduced output and lower working hours may reduce overall work pressure, yet staff reductions and job insecurity may increase pressure for those still in employment (Russell and McGinnity, 2011).

Our primary concern in this chapter is to consider the impact of flexible working arrangements and equality policies on work–life conflict and work pressure. Flexible working arrangements have been identified as one important means of reconciling work and family life, in particular part-time work, but also other arrangements such as flexitime and job sharing (Glass and Estes, 1997; Hegewisch, 2009). Nevertheless, previous research has shown that they differ in the extent to which they reduce work–life conflict. Part-time work almost always reduces work–life conflict compared with full-time hours; flexitime also does, but to a lesser extent, and not always (Fagan, 2003; Gallie and Russell, 2009); the impact of job sharing is negligible; and working from home has been shown to increase work–life conflict, at least in Ireland (Russell et al., 2009b). Similarly, the impact of such arrangements on work pressure varies, with part-time work and flexitime tending to reduce pressure, and working from home increasing pressure (Russell et al., 2009b).

The impact of equality policies on these measures of employee well-being is not as clear cut. To the extent that equality policies may be part of a package of employee-centred workplace practices, they may be associated with increased employee well-being, reducing both work pressure and work–life conflict.

5.2 Changes in Work Pressure and Work–Life Conflict, 2003–2009

5.2.1 Work Pressure

Work pressure is not simply a measure of the demands of work, it also encompasses an individual's capacity to meet these demands, which will be influenced by that person's skills and capabilities (Gallie, 2005). Work pressure, therefore, captures people's experience of difficulty meeting work demands. These difficulties may arise because of physical, psychological or time demands.

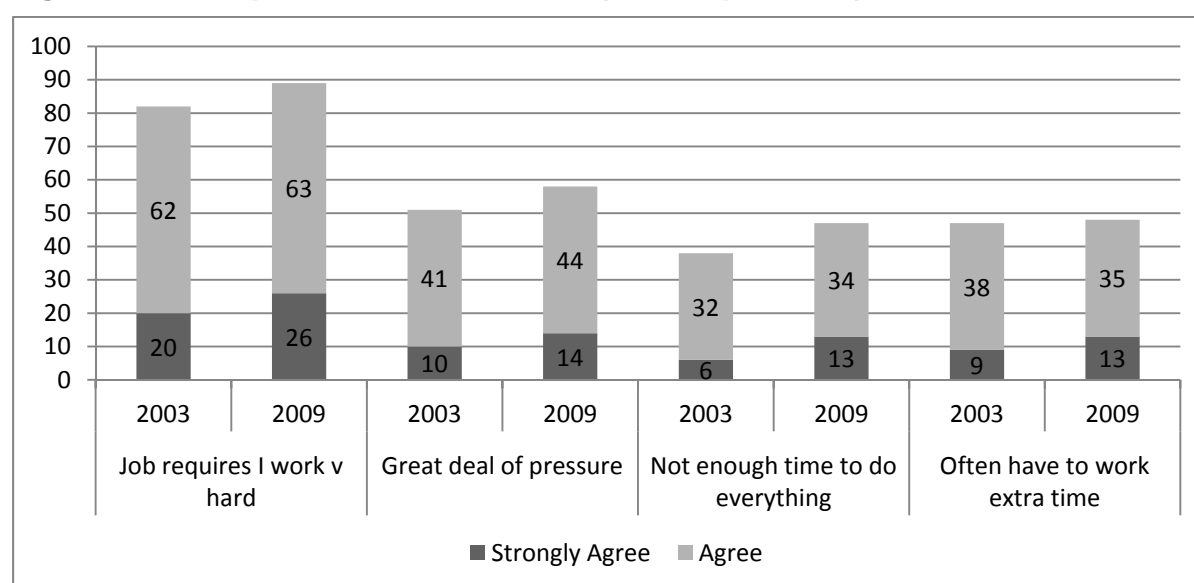
Four questions in this survey tap into this experience. Two address the general level of work pressure (both mental and physical) and two others address the issue of time pressure. The four statements are:

- My job requires that I work very hard.
- I work under a great deal of pressure.
- I never seem to have enough time to get everything done in my job.
- I often have to work extra time over and above my formal hours to get through the job or to help out.

For each statement, respondents were asked to say whether they strongly agree, agree, disagree or strongly disagree.

Figure 5.1 presents the change in individual items since the previous survey in 2003. From the graph we can see that work pressure or intensification increased from 2003 to 2009. The percentage of respondents agreeing or strongly agreeing that they have to work very hard increased from 82% to 89%. The percentage of employees who feel under a great deal of pressure increased from 51% to 58%, and the percentage agreeing that they do not have enough time to get everything done rose from 38% to 47%. The percentage who agreed that they 'often have to work extra hours over and above their formal hours to get through the job or help out' stayed almost the same over the period.

Figure 5.1: Work pressure, 2003 and 2009 (% of respondents)



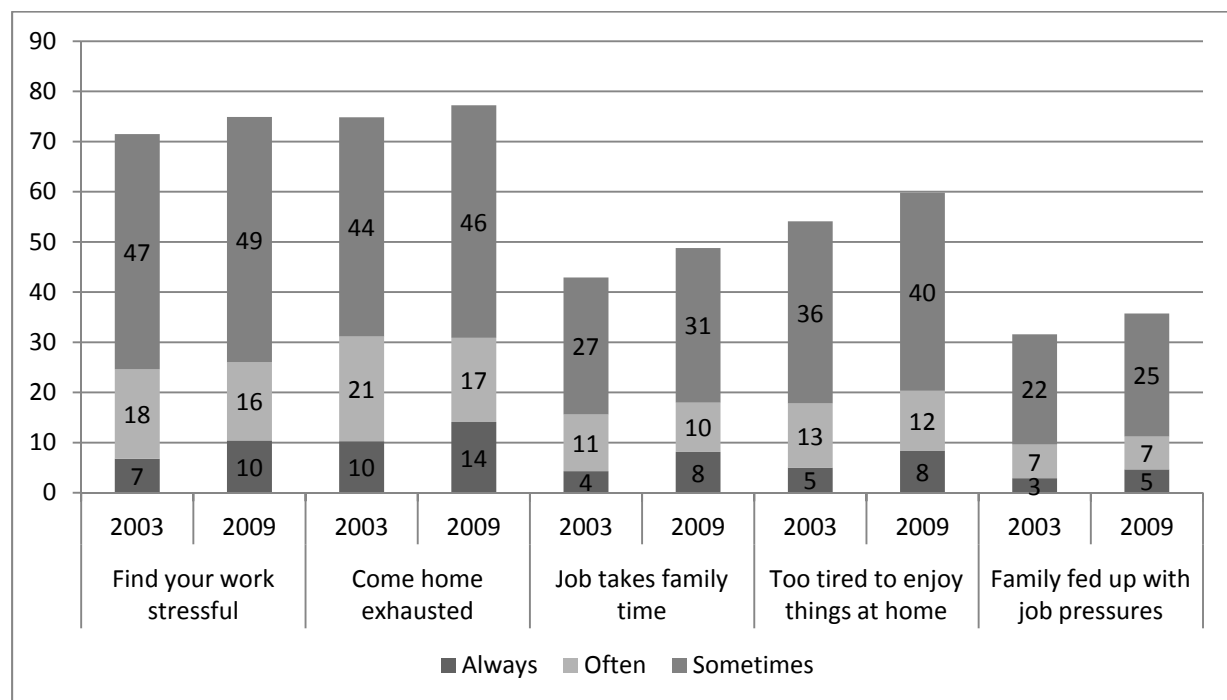
These four items are combined to form a work pressure scale with higher scores indicating greater pressure. The scores range from –2 to +2 and the average score for all employees is 0.32 in 2009; as this result is positive it indicates that the average worker experiences some

work pressure.³⁸ The Cronbach's alpha for the scale is 0.7, indicating that it makes sense to combine these items.³⁹ The average work pressure score increased from 0.17 to 0.32 between 2003 and 2009, which suggests that at a very broad level the recession is associated with greater job pressure amongst employees.

5.2.2 Work–life conflict⁴⁰

The central idea in work–life conflict is that meeting demands in one domain makes it difficult to meet demands in the other (McGinnity and Whelan, 2009). Work–life conflict can take two forms: from work to life and from life to work, although it tends to be that work affects family and other aspects of life more than vice versa. The questions in this survey are designed to measure potential strain, stress, time-based conflict and exhaustion associated with combining work and home life. Respondents were asked how often they: came home from work exhausted; found that their job prevented them from giving the time they want to their partner or family; felt too tired after work to enjoy the things they would like to do at home; and/or found that their partner/family gets fed up with the pressure of their job. The results are shown in Figure 5.2.

Figure 5.2: Work–life conflict and job stress, 2003 and 2009 (% of respondents)



In 2009 a somewhat higher proportion of respondents said that they ‘always’ experience work–life conflict on each of the four items, with the greatest increase occurring for the item ‘job takes family time’. In most cases there was a commensurate decline in the ‘often’

³⁸ Those recorded as missing on any item are excluded from the final index. Missing values are treated in this way in all the scales, unless otherwise stated.

³⁹ Reliability analysis on scales of this nature is used to determine the extent to which the individual items included are related to each other, or to generate a measure of internal consistency of the scale as a whole. Cronbach's alpha is a measure of internal consistency, based on the average inter-item correlation. It varies from 0 to 1, with values from 0.6 upwards indicating that the items are clearly related and the scale is internally consistent.

⁴⁰ While work–life balance and work–life conflict are often used interchangeably, work–life conflict is used here as it draws attention to the challenges and trade-offs that may be associated with combining the two domains.

category, suggesting there was a shift from the second highest to the highest category. When respondents answering ‘sometimes’ are also included, as in Figure 5.2, the items showing the biggest increase are ‘job takes family time’ and ‘too tired to enjoy things at home’. When the ‘sometimes’ category is included, there is also a modest increase in the proportion who report finding their work stressful.

The response set allowed was always, often, sometimes, hardly ever, never (scored from 4 to 0). A composite scale was made based on respondents’ mean score over these four items.⁴¹ A fifth item ‘find your job stressful’ was not included in the scale as it does not specifically relate to work–life (family) conflict; it relates to job stress and is examined separately.⁴² When these four items are added into a scale, we find that there is no difference in the levels of work–life conflict reported in 2009 and in 2003. However, O’Connell et al. (2010a) note that the distribution of work–life conflict appears to have altered somewhat: in 2003 men reported higher levels of work–life conflict than women, but in 2009 there is no difference by gender. Similarly, in 2003 employees in the public sector reported higher levels of work–life conflict (despite the higher prevalence of flexible working arrangements), but in 2009 this difference is not significant (O’Connell et al., 2010a).

5.3 Impact of Equality Policies and Flexible Working

What is the impact of equality policies on work pressure and work–life conflict? Table 5.1 shows average work pressure and work–life conflict scores, as well as the proportion of employees who always or often find their work stressful, by the presence or absence of an equality policy. Work pressure scores do not differ according to the presence of an equality policy, nor does the proportion who always or often find work stressful. Work–life conflict scores are slightly lower for those working in an organisation with an equality policy. The models will test whether this remains the case once we control for characteristics of the individuals, their jobs and their organisations.

Table 5.1: Work pressure, work–life conflict and job stress, by presence of formal equality policy

| | Work pressure score (mean) | Work–life conflict score (mean) | Always/often find work stressful (%) |
|---------------------------------|----------------------------------|---------------------------------------|--|
| No equality policy | 0.31 | 1.61 | 25.9 |
| Equality policy | 0.33 | 1.54 | 26.4 |
| <i>Significantly different?</i> | n.s. | * | n.s. |

Notes: Work pressure is a four-item scale combining the questions in Figure 5.1, and varies from –2 to +2. Work–life conflict is a four-item scale combining the last four questions in Figure 5.2, and varies from 0 to 4. ‘Find work stressful’ is one question, and column 3 shows the percentage who find their work stressful always or often.

* $P \leq 0.05$; n.s. not significant.

Table 5.2 shows that personal involvement in home working is associated with higher levels of work pressure and work–life conflict. A greater proportion of employees personally involved in working from home report that their work is always or often stressful. This suggests that home working in Ireland, rather than facilitating work–life balance, may be associated with work intensification and spillover (Russell et al., 2009b). This will be investigated in more detail in the models below.

⁴¹ Some of those not living with a partner or family did not respond to the last two items; where there was missing information we averaged respondents’ scores on the items that they did answer.

⁴² In O’Connell and Russell (2005) all five items are included in a more general scale of work stress; however, here we follow the analysis in Russell et al. (2009b), which confines the work–life conflict measure to the four items used here.

Both the availability of and involvement in flexitime is associated with lower work pressure, conflict and job stress, as we might expect (Fagan, 2003; McGinnity and Calvert, 2009). Part-time work is actually associated with higher work pressure and work–life conflict, but this may be linked to personal, job and workplace characteristics.

Table 5.2: Work pressure, work–life conflict and job stress, by availability of and involvement in flexible working arrangements

| | Work pressure score | Work–life conflict score | Always/often find work stressful (%) |
|---------------------------------------|---------------------|--------------------------|--------------------------------------|
| Home working not available | 0.29 | 1.56 | 26.0 |
| Home working available/not involved | 0.25 | 1.40 | 19.5 |
| Personally involved | 0.63 | 1.66 | 31.3 |
| <i>Significant association?</i> | *** | *** | *** |
| Flexible hours not available | 0.35 | 1.63 | 28.5 |
| Flexible hours available/not involved | 0.30 | 1.50 | 23.3 |
| Personally involved | 0.29 | 1.46 | 23.3 |
| <i>Significantly association?</i> | n.s. | *** | *** |
| Part-time hours not available | 0.26 | 1.50 | 26.1 |
| Part-time available/not involved | 0.43 | 1.62 | 25.6 |
| Personally involved | 0.40 | 1.71 | 28.2 |
| <i>Significantly association?</i> | *** | *** | n.s. |
| Job sharing not available | 0.30 | 1.54 | 25.5 |
| Job sharing available/not involved | 0.41 | 1.61 | 28.4 |
| Personally involved | 0.27 | 1.49 | 24.5 |
| <i>Significantly association?</i> | **** | * | n.s. |
| All | 0.32 | 1.56 | 26.1 |

Notes: Work pressure is a four-item scale combining the questions in Figure 5.1, and varies from –2 to +2. Work–life conflict is a four-item scale combining the last four questions in Figure 5.2, and varies from 0 to 4. 'Find work stressful' is one question, and column 3 show the percentage who always or often find their work stressful.

Significance test is a one-way Anova test of association.

* $P \leq 0.05$; *** $P \leq 0.001$; n.s. not significant.

Organisations that offer job share are associated with higher pressure, conflict and stress, although this is not the case for those personally involved. Once again it is important to account for variation in jobs and organisations. As we saw from Chapter 4, job sharing tends to be available in a select group of organisations, mainly public sector and very large.

5.4 Multivariate Models of Work Pressure and Work–Life Conflict

In this section we examine the impact of equality policies and flexible working arrangements in more detail using multivariate modelling. This modelling allows us to account for other factors that may influence work pressure and work–life conflict and that may be associated with equality policies and flexible working, and to assess the independent impact of equality policies and flexible working arrangements more clearly. The key variables are categorical or dummy variables so the relative importance of these factors can be assessed from the size of the coefficients and their significance levels.⁴³

⁴³ This is not true for some of the control variables measured continuously, such as tenure or log earnings, or as ordinal scales, such as autonomy or consultation. In these cases the size of the coefficient will be influenced by the number of points in the scale or the variation in earnings and one would need to compare standardised coefficients.

For both work pressure and work–life conflict we pursue a similar modelling strategy. We first estimate the impact of equality policies and flexible working while controlling for personal characteristics: gender, age, marital status, educational qualifications, place of birth and ethnicity, and also presence of children⁴⁴ for the work–life conflict models. In the second set of models we add controls for job characteristics: contract status, trade union membership, tenure, unsocial working hours, long working hours (over 45 hours per week),⁴⁵ professional and managerial occupations,⁴⁶ autonomy as a five-item scale,⁴⁷ and earnings. Earnings are the log of gross weekly earnings.⁴⁸ About one-tenth of individuals in the sample have missing values for earnings, and these are excluded from the models. The third set of models also includes organisational controls: industrial sector, personal participation in decision making,⁴⁹ innovative practices, consultation within the organisation, measured as a four-item scale,⁵⁰ and organisational change in the past two years.⁵¹

5.4.1 Equality policy results

From Table 5.3 we see that in the model that just accounts for personal characteristics (Model 1) there is no significant association between work pressure and the presence of an equality policy. This echoes the results in Table 5.1, where there was no difference in the mean work pressure scores for those working in companies with and without an equality policy. However, once we account for job characteristics such as autonomy, working hours and earnings (Model 2), we do find a modest effect of equality policies in reducing work pressure. This is also true once we control for workplace characteristics (Model 3). This suggests that organisations with equality policies may be more employee-centred and employees working there may feel better able to cope with the demands of their work.

⁴⁴ Presence of children was excluded from the work pressure models as it was not significant in any specification.

⁴⁵ Typically usual working hours would be included in models of both work pressure and work–life conflict, and have a highly significant impact on both. As two of the variables of interest here (part-time work and job sharing) are, by definition, associated with lower hours we decided to include a dummy variable for long working hours instead.

⁴⁶ There was no other variation between the occupational groups on work pressure and work–life conflict, so, following McGinnity and Calvert's (2009) analysis of work–life conflict, we collapsed occupation into professional and managerial occupations and all others.

⁴⁷ The autonomy scale is a combination of: 'You decide how much work you do or how fast you work during the day; Your manager decides the specific tasks you will do from day to day; You decide when you can take a break during the working day; Your manager monitors your work performance; You have to get your manager's OK before you try to change anything about the way you do your work'.

⁴⁸ As is common practice, the log of earnings is used to avoid outliers exerting disproportional influence on the coefficient.

⁴⁹ 'In some workplaces employees are given a direct say in deciding on the way in which the work is actually carried out. This is done through what might be known as work teams; problem-solving groups; project groups; quality circles; continuous improvement programmes or groups. Are there any such arrangements in your workplace to involve staff directly in the way in which work is carried out on a day-to-day basis?' Those who responded that such participation was present in their workplace were asked whether they personally participated in any of these groups. See O'Connell et al. (2010a), Chapter 3, for more details of this. See also the survey questionnaire, which is available online at: <http://www.esri.ie/pubs/BKMNEXT200>.

⁵⁰ Consultation scale is a combination of: 'How often are you and your colleagues consulted before decisions are taken that affect your work? If changes in your work occur, how often are you given the reason why? If you have an opinion different from your supervisor/manager, can you say so? If you are consulted before decisions are made, is any attention paid to your views?'

⁵¹ Indicators of participation in the organisation and partnership at work were excluded as they were not significant. Organisational size is not significant in the models of either pressure or conflict.

Table 5.3: Linear regression models of work pressure: impact of equality policy and flexible working arrangements

| | Model 1: With personal controls^a | | Model 2: With personal, job and hours controls^b | | Model 3: With personal, job/hours and organisational controls^c | |
|------------------------------------|--|------|---|------|--|------|
| | B | | B | | B | |
| Equality policy | −0.015 | n.s. | −0.073 | * | −0.087 | ** |
| Organisation uses home working | −0.047 | n.s. | −0.052 | n.s. | −0.039 | n.s. |
| Organisation uses flexitime | −0.085 | * | −0.087 | ** | −0.087 | ** |
| Organisation uses part-time work | 0.010 | n.s. | −0.005 | n.s. | −0.013 | n.s. |
| Organisation uses job sharing | 0.087 | ** | 0.068 | * | 0.030 | n.s. |
| Personally involved home working | 0.245 | *** | 0.188 | *** | 0.175 | *** |
| Personally involved flexitime | −0.001 | n.s. | 0.030 | n.s. | 0.028 | n.s. |
| Personally involved part-time work | −0.262 | *** | −0.128 | *** | −0.116 | *** |
| Personally involved job sharing | −0.010 | n.s. | 0.019 | n.s. | 0.005 | n.s. |
| N of cases | 4478 | | 4478 | | 4478 | |
| Adjusted R square | 0.087 | | 0.141 | | 0.174 | |

Notes: See Table A5.1 in the appendix to this chapter for full models.

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

^a Personal controls: gender, age, marital status, education, place of birth and ethnicity.

^b Job and hours controls: contract status, trade union membership, job tenure, unsocial working hours, long working hours (over 45 hours per week), professional/managerial occupations, job autonomy and log of hourly earnings.

^c Organisational controls: industrial sector, personal participation in decision making, innovative work practices, consultation within the organisation, and organisational change in the past two years.

From Table 5.4 we can see that in Model 5, where we control for personal and job characteristics, the presence of an equality policy reduces work–life conflict. Once we add organisational controls (Model 6), this effect is reduced. This works primarily through the impact of the consultation index. Workplaces with equality policies also tend to consult with employees about decisions affecting their work (see above for details of measurement). Both of these reduce work–life conflict, but the impact of equality policies is still significant.

Table 5.4: Linear regression models of work–life conflict: impact of equality policy and flexible working arrangements

| | Model 4: With personal controls^a | | Model 5: With personal, job and hours controls^b | | Model 6: With personal, job/hours and organisational controls^c | |
|------------------------------------|--|------|---|------|--|------|
| | B | | B | | B | |
| Equality policy | –0.067 | * | –0.147 | *** | –0.060 | * |
| Organisation uses home working | –0.129 | * | –0.083 | n.s. | –0.065 | n.s. |
| Organisation uses flexitime | –0.085 | * | –0.088 | * | –0.075 | * |
| Organisation uses part-time work | –0.057 | n.s. | –0.065 | n.s. | –0.073 | * |
| Organisation uses job sharing | 0.063 | n.s. | 0.022 | n.s. | 0.018 | n.s. |
| Personally involved home working | 0.153 | * | 0.116 | * | 0.117 | * |
| Personally involved flexitime | –0.054 | n.s. | 0.001 | n.s. | 0.011 | n.s. |
| Personally involved part-time work | –0.273 | *** | –0.141 | *** | –0.129 | *** |
| Personally involved job sharing | –0.121 | * | –0.088 | n.s. | –0.096 | * |
| N of cases | 4504 | | 4504 | | 4504 | |
| Adjusted R square | 0.052 | | 0.145 | | 0.201 | |

Notes: See Table A5.2 in the appendix to this chapter for full models.

* $P \leq 0.05$; *** $P \leq 0.001$; n.s. not significant.

^a Personal controls: gender, age, marital status, educational qualifications, place of birth and ethnicity, and presence/age of children.

^b Job and hours controls: contract status, trade union membership, tenure, unsocial working hours, long working hours (over 45 hours per week), professional/managerial occupations, job autonomy and log of hourly earnings.

^c Organisational controls: industrial sector, personal participation in decision making, innovative work practices, consultation within the organisation, and organisational change in the past two years.

5.4.2 Flexible working results

What is the impact of working from home? Organisational use of working from home does not increase work pressure significantly, but being personally involved in working from home is associated with significantly higher work pressure. The impact is somewhat reduced by accounting for job and workplace characteristics but is still strongly significant. This echoes the 2003 findings (O’Connell and Russell, 2005; Russell et al., 2009b). And while one might expect working from home to reduce it, working from home actually increases work–life conflict. Is this because those working from home are working longer hours? As noted in Chapter 4 (see Table 4.3), the figure for mean working hours for home workers is higher than for the whole sample. This partly explains its role in increasing pressure and conflict, although working from home still significantly increases work–life conflict even when accounting for detailed hours worked (model not shown). Russell et al. (2009b) suggest this effect of working from home may be due to additional working, over and above usual hours, but this is ruled out in the 2009 question. It seems more plausible that the extra pressure and work–life conflict is due to spillover, that is the greater intrusion of work into non-work time (i.e. weekends and evenings) and into the family space, such as Hyman et al. (2003) find for the employees working in call centres and in software development. With high autonomy and high workloads, the facility to work at home might increase employees’ working hours rather than reduce them. This was also found in a Dutch study (Peters et al., 2009). These findings suggest that working from home is more a form of work intensification than a means to reduce work pressure and work–life conflict.

Employees who work in an organisation where flexitime is available have lower work pressure and work–life conflict. However, there is no impact of personal involvement in flexitime. This is interesting, as we would expect it to be personal involvement, rather than its use in the organisation, that has the greater effect (Kelly et al., 2008).⁵² It suggests that it is a more flexible approach to the assignment of working hours in the organisation in general, rather than for the specific individual, that contributes to reducing pressure and work–life conflict.

For part-time work, personal involvement strongly reduces both work pressure and work–life conflict, consistent with expectations and previous findings. Part-time work is associated with lower work pressure, and part-time workers have lower work–life conflict (O’Connell and Russell, 2005; Russell et al., 2009b; McGinnity and Whelan, 2009). Any findings to the contrary in Table 5.2 were related to the personal characteristics of those involved.

Personal involvement in job sharing has no effect on work pressure. Employees who work in organisations that offer job sharing tend to have lower work pressure, but this effect becomes insignificant when we control for sector; there is a strong effect of sector on the availability of job sharing, as noted in Chapter 4. We do find an impact of job sharing on reducing work–life conflict. It is plausible that job sharing may not reduce work pressure but would reduce work–life conflict as it is associated with lower hours of work and, in some cases at least, more flexible assignment of those hours. While this is what we would expect, this was not found in 2003 data (O’Connell and Russell, 2005) or in a study in New Zealand (Hayman, 2009).

We also tested alternative model specifications, using the number of flexible policies rather than the use of each in an organisation, but presumably because policies differ in their effects on work pressure, the overall effect of the number of flexible policies in the organisation was insignificant in the work pressure model. The number of flexible working arrangements in the organisation does significantly reduce work–life conflict. This suggests that employees who work in organisations with a family-friendly ethos have lower work–life conflict scores. However, as the alternative specification does not influence the results for personal involvement, we prefer to list each policy’s presence in the organisation to be consistent with the pressure models.

5.4.3 Other factors influencing work pressure and work–life conflict

The other factors influencing work pressure and work–life conflict are presented in Tables A5.1 and A5.2 (see appendix to this chapter). These are generally consistent with previous research and are in line with expectations (Cappelli et al., 1997; Gallie, 2005). For example, women experience higher work pressure than men, and the more highly educated (especially those with third-level education) experience higher pressure. Work pressure is higher among higher earners in high-skilled jobs: pressure tends to rise as earnings rise, and professionals and managers experience higher pressure. Long hours of work and particularly unsocial hours increase pressure; job autonomy reduces it. Work pressure in 2009 is generally higher in the public sector: health, education and public administration, but also somewhat higher in hotels and catering than it is in manufacturing. In terms of workplace practices, here the impact of consultation significantly reduces both work pressure and work–life conflict. Employees in workplaces where staff are consulted and informed about decisions experience lower pressure and conflict.

The pattern of results for work–life conflict are also broadly in line with expectations and previous research (Gallie and Russell, 2009; McGinnity and Calvert, 2009; O’Connell and

⁵² Even when availability is left out of the model, personal involvement in flexitime has no significant impact on either work pressure or work–life conflict.

Russell, 2005). Work–life conflict is higher for women than for men, and higher among employees with children, particularly children under five years of age. Those with post-Leaving Certificate qualifications or tertiary education also experience higher conflict. Work–life conflict is higher for those working unsocial or long hours, though it is lower among those with greater job autonomy. Higher earners experience higher work–life conflict, although when earnings are included in the model the effect of being in a managerial/professional occupation is no longer significant. Even after controlling for the impact of shift work (unsocial hours), work–life conflict is higher in hotels and catering and in health occupations. Part of this impact may be a lack of predictability in hours. Unpredictable hours, not measured directly in this model, have been shown to increase work–life conflict significantly (Steiber, 2009).

An interesting point to note is the significant impact of recession-related workplace change on both work pressure and work–life conflict. From Tables A5.1 and A5.2 it is clear that staff cuts in the organisation increase both pressure and work–life conflict. Reorganisation of the company significantly increases work–life conflict, although for work pressure the effect just fails to reach significance ($p=0.087$). This implies that the recession, at least as measured by staff reductions and restructuring, has had a negative impact on these two indicators of employee well-being. Russell and McGinnity (2011) certainly found this for work pressure in a paper which pools the 2003 and 2009 employee surveys and investigates changes in work pressure. The reduction in working hours may have reduced work pressure, but changes to the occupation and sectors of employment and, in particular, changes to individual jobs, staff reductions and restructuring account for much of the difference in levels of reported work pressure between 2003 and 2009.

5.5 Summary

This chapter considered the impact of equality policies and flexible working arrangements on work pressure and work–life conflict. The presence of equality policies in an organisation has a modest positive impact on employee well-being by reducing work pressure and work–life conflict. We expect this overall effect is a reflection of an employee-centred ethos in the organisation. These results are slightly different from those found in 2003, where equality policies did not reduce work pressure, controlling for other factors, although the models are slightly different. Work pressure has also increased substantially since 2003, and equality and other workplace policies may now play a greater role in reducing pressure.

Flexible working arrangements are frequently heralded as a key instrument to facilitate work–life balance. This chapter tested their impact on employees, and found that the effect of flexible working arrangements depends on the measure: not all forms of flexible working have a positive effect on employee well-being. This, once again, is a clear and important finding. Even with the more closely defined ‘working from home’ measure in the 2009 survey, this practice still increases both pressure and work–life conflict, similar to the findings from the 2003 survey (O’Connell and Russell, 2005). Home working is more common among managerial and professional jobs and among men in Ireland, yet even after controlling for these characteristics it still reduces employee well-being, measured as work–life conflict and work pressure. In fact, home working appears to be a form of work intensification. Johnson et al. (2008) argue that one important dimension of the ‘flexibility effect’ is to reduce the detrimental impact of working long hours, and home working does not have this effect.

The presence of flexitime in an organisation reduces work pressure and work–life conflict, but the effect is modest. There is no effect for participation in flexitime working on the part of individuals (a modest effect was found in the 2003 survey).

Personal involvement in job sharing has a modest effect in reducing work–life conflict but not work pressure. This might have been expected, given the lower working hours associated with job sharing. However, it does represent a change from the somewhat surprising findings of the 2003 survey, where job sharing was found to increase work–life conflict for men.

Being personally involved in part-time work significantly reduces both work pressure and work–life conflict for employees, even after all controls. These findings are consistent with those in the 2003 survey. The findings on work–life conflict also echo those of a growing body of work on the topic. Of the four measures, part-time work has the strongest and clearest impact in reducing work–life conflict and work pressure.

Chapter 5 Appendix

Table A5.1: Linear regression models of work pressure

| | Model 1 | | Model 2 | | Model 3 | |
|------------------------------------|---------|------|---------|------|---------|------|
| | Coef. | Sig. | Coef. | Sig. | Coef. | Sig. |
| (Constant) | 0.134 | * | −0.642 | *** | −0.983 | *** |
| Female | 0.130 | * | 0.227 | *** | 0.151 | *** |
| Age: 25–39 years | 0.093 | * | 0.051 | n.s. | 0.040 | n.s. |
| Age: 40–54 years | 0.096 | * | 0.046 | n.s. | 0.023 | n.s. |
| Age: 55 years and over | −0.020 | n.s. | −0.052 | n.s. | −0.086 | n.s. |
| Single | −0.114 | *** | −0.066 | * | −0.058 | n.s. |
| Leaving Certificate | 0.068 | n.s. | 0.024 | n.s. | 0.038 | n.s. |
| PLC | 0.246 | *** | 0.181 | *** | 0.163 | *** |
| Tertiary | 0.376 | *** | 0.220 | *** | 0.187 | *** |
| Born abroad | −0.048 | n.s. | −0.034 | n.s. | −0.034 | n.s. |
| Ethnic minority | −0.122 | n.s. | −0.128 | n.s. | −0.142 | * |
| Temporary contract | | | −0.067 | n.s. | −0.103 | ** |
| Trade union member | | | 0.060 | * | 0.003 | n.s. |
| Tenure | | | 0.014 | n.s. | 0.004 | n.s. |
| Unsocial hours | | | 0.056 | *** | 0.051 | *** |
| Long hours (over 45) | | | 0.320 | *** | 0.335 | *** |
| Autonomy scale | | | −0.076 | *** | −0.048 | ** |
| Professional or managerial | | | 0.201 | *** | 0.197 | *** |
| Log of gross weekly earnings | | | 0.102 | *** | 0.089 | *** |
| Construction | | | | | 0.163 | * |
| Retail | | | | | 0.025 | n.s. |
| Hotel and restaurants | | | | | 0.184 | ** |
| Transport | | | | | 0.007 | n.s. |
| Finance | | | | | 0.079 | n.s. |
| Public administration | | | | | 0.219 | *** |
| Education sector | | | | | 0.267 | *** |
| Health | | | | | 0.354 | *** |
| Other services | | | | | 0.139 | n.s. |
| Personal participation | | | | | 0.063 | * |
| Innovative practices | | | | | 0.196 | *** |
| Consultation scale | | | | | −0.107 | *** |
| New CEO? | | | | | 0.039 | n.s. |
| Staff cuts? | | | | | 0.087 | *** |
| Reorganisation | | | | | 0.045 | n.s. |
| Equality policy | 0.015 | n.s. | −0.073 | * | −0.087 | ** |
| Organisation uses home working | −0.047 | n.s. | −0.052 | n.s. | −0.039 | n.s. |
| Organisation uses flexitime | −0.085 | * | −0.087 | ** | −0.087 | ** |
| Organisation uses part-time work | 0.010 | n.s. | −0.005 | n.s. | −0.013 | n.s. |
| Organisation uses job sharing | 0.087 | ** | 0.068 | * | 0.030 | n.s. |
| Personally involved home working | 0.245 | *** | 0.188 | *** | 0.175 | *** |
| Personally involved flexitime | −0.001 | n.s. | 0.030 | n.s. | 0.028 | n.s. |
| Personally involved part-time work | −0.262 | *** | −0.128 | *** | −0.116 | *** |
| Personally involved job sharing | −0.010 | n.s. | 0.019 | n.s. | 0.005 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Reference categories for these models are: male, aged under 25, born in Ireland, White ethnicity, married, below Leaving Certificate qualification, not a trade union member, permanent contract, not managerial or professional occupation, working in the manufacturing sector.

Table A5.2: Linear regression models of work–life conflict

| | Model 4 | | Model 5 | | Model 6 | |
|------------------------------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> | <i>Coef.</i> | <i>Sig.</i> |
| (Constant) | 1.677 | *** | 0.460 | ** | 0.820 | *** |
| Female | 0.078 | * | 0.199 | *** | 0.185 | *** |
| Age: 25–39 years | –0.069 | n.s. | –0.028 | n.s. | –0.028 | n.s. |
| Age: 40–54 years | –0.099 | n.s. | –0.051 | n.s. | –0.039 | n.s. |
| Age: 55 years and over | –0.281 | *** | –0.204 | ** | –0.167 | ** |
| Single | –0.010 | n.s. | 0.015 | n.s. | 0.015 | n.s. |
| Kids under 5 years | 0.152 | *** | 0.130 | *** | 0.123 | *** |
| Kids 6–17 years | 0.102 | ** | 0.090 | * | 0.092 | ** |
| Leaving Certificate | –0.017 | n.s. | –0.031 | n.s. | –0.002 | n.s. |
| PLC | 0.113 | * | 0.105 | * | 0.118 | ** |
| Tertiary | 0.167 | *** | 0.108 | * | 0.129 | ** |
| Born abroad | 0.073 | n.s. | 0.083 | n.s. | 0.057 | n.s. |
| Ethnic minority | 0.138 | n.s. | 0.048 | n.s. | 0.031 | n.s. |
| Temporary contract | | | 0.032 | n.s. | 0.036 | n.s. |
| Trade union member | | | 0.056 | n.s. | 0.012 | n.s. |
| Tenure | | | 0.034 | n.s. | 0.022 | n.s. |
| Unsocial hours | | | 0.109 | *** | 0.092 | *** |
| Long hours (over 45) | | | 0.356 | *** | 0.350 | *** |
| Autonomy scale | | | –0.192 | *** | –0.145 | *** |
| Professional or managerial | | | 0.015 | n.s. | 0.041 | n.s. |
| Log of gross weekly earnings | | | 0.156 | *** | 0.155 | *** |
| Construction | | | | | 0.160 | * |
| Retail | | | | | 0.020 | n.s. |
| Hotel and restaurants | | | | | 0.292 | *** |
| Transport | | | | | 0.041 | n.s. |
| Finance | | | | | 0.039 | n.s. |
| Public administration | | | | | –0.107 | n.s. |
| Education sector | | | | | –0.008 | n.s. |
| Health | | | | | 0.136 | ** |
| Other services | | | | | 0.107 | n.s. |
| Personal participation | | | | | 0.053 | n.s. |
| Innovative practices | | | | | –0.023 | n.s. |
| Consultation scale | | | | | –0.201 | *** |
| New CEO? | | | | | 0.046 | n.s. |
| Staff cuts? | | | | | 0.107 | *** |
| Reorganisation? | | | | | 0.083 | ** |
| Equality policy | –0.067 | * | –0.147 | *** | –0.060 | * |
| Organisation uses home working | –0.129 | * | –0.083 | n.s. | –0.065 | n.s. |
| Organisation uses flexitime | –0.085 | * | –0.088 | * | –0.075 | * |
| Organisation uses part-time work | –0.057 | n.s. | –0.065 | n.s. | –0.073 | * |
| Organisation uses job sharing | 0.063 | n.s. | 0.022 | n.s. | 0.018 | n.s. |
| Personally involved home working | 0.153 | * | 0.116 | * | 0.117 | * |
| Personally involved flexitime | –0.054 | n.s. | 0.001 | n.s. | 0.011 | n.s. |
| Personally involved part-time work | –0.273 | *** | –0.141 | *** | –0.129 | *** |
| Personally involved job sharing | –0.121 | * | –0.088 | n.s. | –0.096 | * |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Reference categories for these models are: male, aged under 25, born in Ireland, White ethnicity, married, no kids aged under 18, below Leaving Certificate qualification, not a trade union member, permanent contract, not managerial/professional occupation, working in manufacturing sector.

6 EQUALITY POLICIES, FLEXIBLE WORKING AND ORGANISATIONAL OUTCOMES

6.1 Introduction

As discussed in Chapter 1, the focus of this report is not just on outcomes for employees, it is also concerned with the impact of equality policies and flexible work practices on organisational outcomes. Nevertheless, this is an employee survey and as such it is not possible to collect information on financial outcomes such as sales or profits.

Authors writing about the business case for flexible work practices argue that family-friendly policies do not have a direct impact on performance outcomes but do enhance organisational performance outcomes through increased commitment (Wood and de Menezes, 2010). Indeed, Dex and Scheibl (2001) argue that increased employee motivation and commitment is a key component of the business case for such policies. Organisational commitment typically has a positive impact on effort and productivity and thus has benefits for the employer. See also O'Connell and Russell (2005) for further analysis of satisfaction and commitment.

The 2009 National Workplace Survey collected additional information on product or service innovation, and on absenteeism. This information, reported by employees, may be not quite as reliable as feedback on satisfaction or commitment. Nevertheless, innovation and absenteeism are more clearly linked to organisational performance and analysing them will give additional insights into the business case for equality policies and flexible working arrangements, allowing us to test associations between these practices and organisational outcomes. This is the first time there has been any analysis of absenteeism using social survey data in Ireland.

What are our expectations? We expect that the presence of formal policies on equality of opportunity should increase both job satisfaction and organisational commitment, since employees experiencing such policies believe that their employer is more committed to fairness and equality in the employment relationship, as shown in Chapter 3. Whether this is the case will be a key focus of this chapter.

The impact of flexible working arrangements on job satisfaction is perhaps less clear cut, although certain forms of flexibility (e.g. part-time work) might increase job satisfaction. However, the impact of any flexible working arrangement might depend on factors such as pay and other working conditions (O'Connell and Russell, 2005). The availability of flexible working arrangements might also increase organisational commitment, as employees value the flexibility their organisation offers: it may signal that the organisation is more concerned with employee welfare. Wood and de Menezes (2010) certainly propose an effect of the availability of family-friendly policies, or what they describe as a 'family-friendly' culture, on workplace commitment at firm level. Individual involvement in flexible working arrangements might also increase commitment. Indeed, a number of recent studies have found that family-friendly employment practices increase employee commitment (Prognos, 2005; Kelly et al., 2008).

If business case arguments are correct, one might expect that equality policies and flexible working arrangements will be associated with higher innovation. We might also expect that flexible working arrangements will be associated with lower absenteeism (Drew et al., 2003; Kelly et al., 2008).

This chapter considers changes in job satisfaction and organisational commitment between 2003 and 2009 (Section 6.2). We then present the associations between satisfaction and

commitment in Section 6.3, before going on to model these associations in Section 6.4. Section 6.5 looks at output innovation, and Section 6.6 examines absenteeism. For all the models estimated, the key findings related to equality and flexible working arrangements are presented in the tables, with full models in the appendix to the chapter. Section 6.7 concludes by summarising the results.

6.2 Changes in Job Satisfaction and Organisational Commitment, 2003–2009

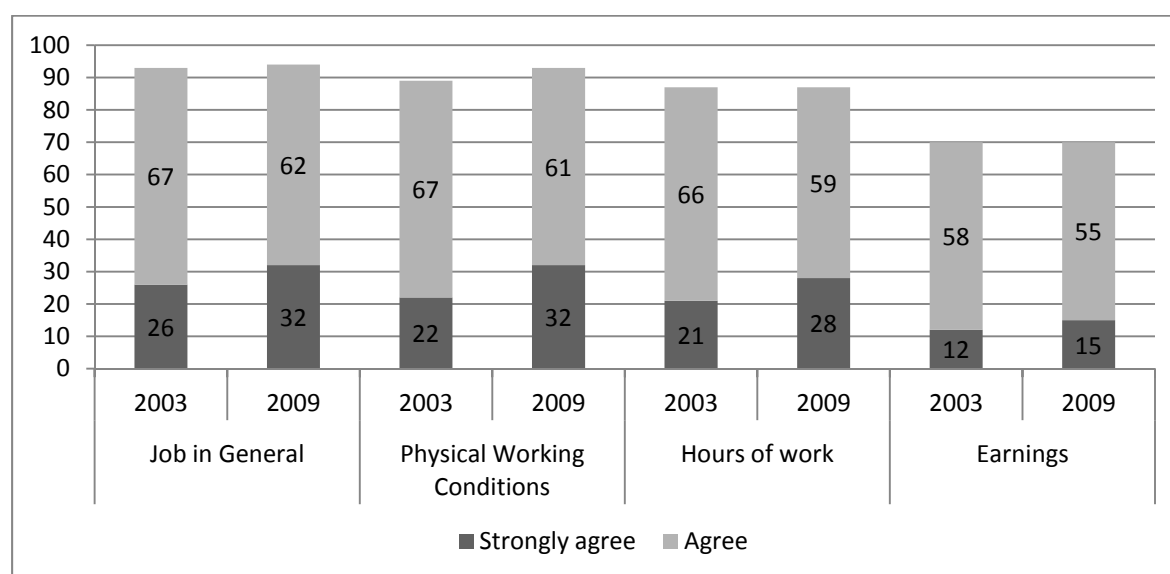
6.2.1 Job satisfaction

Job satisfaction was measured in a number of ways. Respondents were asked about their overall job satisfaction, and then about satisfaction in a number of important aspects of employment, namely, physical working conditions, hours of work and earnings. Respondents were asked whether they agree or disagree with the following statements:

- In general, I am satisfied with my present job.
- I am satisfied with my physical working conditions.
- I am satisfied with my hours of work.
- I am satisfied with my earnings from my current job

In general employees in Ireland express a high level of satisfaction with their current job (see Figure 6.1). Comparing 2003 and 2009, we see that on each of the four items there was an increase in the proportion ‘strongly agreeing’ over the period, particularly with satisfaction with physical working conditions, although less so in the case of earnings. In each item this involved a shift from ‘agree’ to ‘strongly agree’ so that the proportion disagreeing (i.e. expressing dissatisfaction) has remained stable over time.

Figure 6.1: Job satisfaction, 2003 and 2009



A satisfaction scale was constructed based on respondents’ average scores on each of the four questions outlined above, with higher scores indicating greater satisfaction.⁵³ The average composite score is .95 for 2009 and only 6% of respondents score on the negative

⁵³ The responses were scored 2 for ‘strongly agree’, 1 for ‘agree’, –1 for ‘disagree’ and –2 for ‘strongly disagree’, the scale therefore ranges from –2 to +2. Those recorded as missing on any item are excluded from the final index. Missing values are treated this way in all the scales, unless otherwise stated.

side of the scale, showing low levels of job dissatisfaction. Compared with 2003, the average scores on the satisfaction scale have increased from .88 to .95.⁵⁴

O'Connell et al. (2010a) note that the overall increase in satisfaction recorded over the period disguises an increase in satisfaction in the private sector, and a small decrease in average satisfaction amongst public sector workers. These contrasting trends mean that private sector employees are more satisfied than public sector employees in 2009, while in 2003 public sector workers were more satisfied than private sector workers. The authors also note that while men and women recorded the same level of job satisfaction in 2003, in 2009 there is a small but statistically significant difference, with women's satisfaction being higher than men's. These figures do not control for the objective conditions of men's and women's jobs, and it has been commented on in the literature that women tend to record higher levels of job satisfaction than men for jobs of the same standard (Clark, 1997).

6.2.2 Organisational commitment

Organisational commitment involves a person's loyalty to a particular organisation and the extent to which he or she shares its goals and values (Lincoln and Kalleberg, 1990). To assess organisational commitment, respondents were asked to agree or disagree with six statements:

- I am willing to work harder than I have to in order to help this organisation succeed.
- I am proud to be working for this organisation.
- I would turn down another job with more pay in order to stay with this organisation.
- My values and the organisation's values are very similar.
- I feel little loyalty to the organisation that I work for.
- I would take almost any job to keep working for this organisation.

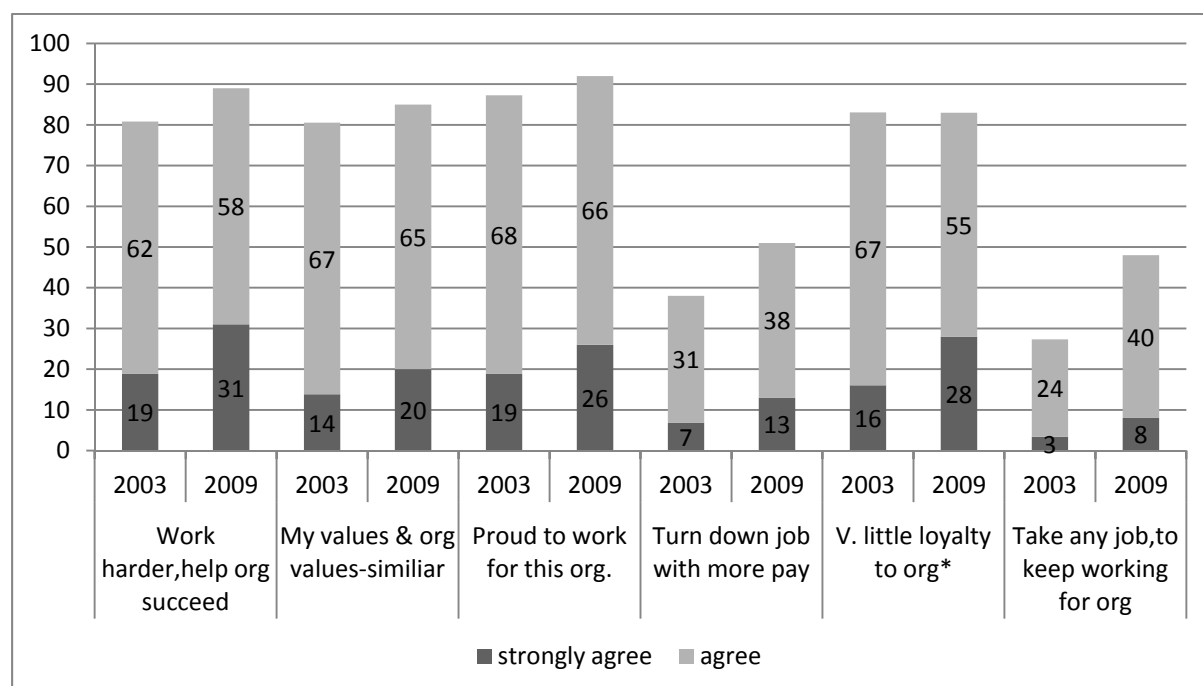
Between 2003 and 2009 the level of organisational commitment increased on a number of these items (see Figure 6.2). In particular, the proportion agreeing that they would work harder to help the organisation succeed increased from 80% to 89%, while the proportion saying they would turn down another job with more pay to stay with the organisation increased from 38% to 52%, and the proportion who would take any job to stay with the organisation increased from 27% to 48%.

These strong increases may reflect the impact of the recession and of insecurity in the labour market, which are likely to cause employees to display more loyalty to their current employer and to preserve their employment for reasons of self-interest. For example, at least in the private sector, working hard to help the organisation succeed could be seen as a means of increasing individual job security. Such behaviour is also likely to be associated with higher productivity, which will benefit the employer too.

Responses to the above six items were combined to form an index of organisational commitment, based on respondents' average across the six items. The scale ranges from -2 to +2, with a mean of 0.67. Higher scores indicate higher levels of organisational commitment. O'Connell et al. (2010a) show that while organisational commitment was notably higher in the public sector than in the private sector in 2003, commitment rose much more sharply in the private sector so that by 2009 there is no difference in the public and private sectors in terms of overall organisational commitment.

⁵⁴ In O'Connell and Russell (2005) five items were included so the 2003 scale mean has been recalculated using the four items in the 2009 survey.

Figure 6.2: Organisational commitment, 2003 and 2009



* For this statement we report the percentage disagreeing or strongly disagreeing.

6.3 Impact of Equality Policies and Flexible Working

What is the impact of equality policies and flexible working arrangements on job satisfaction and organisational commitment? From Table 6.1 we see that both job satisfaction and organisational commitment are much higher for employees who report that there is an equality policy in their organisation, and this difference is statistically significant. As in Chapter 5, the models will test whether this association remains once we control for the characteristics of the individuals, their jobs and the organisations in which they work.

Table 6.1: Job satisfaction and organisational commitment, by presence of a formal equality policy

| | Satisfaction score (mean) ^a | Commitment score (mean) ^b |
|---------------------------------|---|---|
| No equality policy | 0.82 | 0.53 |
| Equality policy | 0.98 | 0.70 |
| <i>Significantly different?</i> | *** | *** |

*** $P \leq 0.001$.

^a Job satisfaction is a four-item scale combining the questions in Figure 6.1, and varies from -2 to +2.

^b Organisational commitment is a six-item scale combining the questions in Figure 6.2, and varies from -2 to +2.

Table 6.2 presents mean job satisfaction and organisational commitment scores according to whether flexible working arrangements are available, and whether the individual is personally involved. The table shows that for employees reporting either the availability of home working or that they use it personally, both job satisfaction and organisational commitment is higher than it is for those working in organisations where home working is not available. Similarly, those who report that flexitime is available or that they use it also report higher levels of job satisfaction and organisational commitment than those who do not. These differences are statistically significant.

Interestingly, this is not true for part-time work. Employees working in organisations where part-time work is available, or those who are actually working part-time hours do not differ in terms of job satisfaction or organisational commitment from those working where part-time hours is not available. While quite surprising, this may be a function of the characteristics of individuals or the organisations where they work. This will be investigated further in the next section.

Job satisfaction is higher in organisations where job sharing is available, and where individuals are personally involved.

Table 6.2: Job satisfaction and organisational commitment, by availability of and involvement in flexible working arrangements

| | Satisfaction score^a (mean) | Commitment score^b (mean) |
|--|--|--|
| Home working not available | 0.90 | 0.65 |
| Home working available/not involved | 1.10 | 0.72 |
| Personally involved | 1.11 | 0.78 |
| <i>Significant association?</i> | *** | *** |
| Flexible hours not available | 0.88 | 0.62 |
| Flexible hours available/ not involved | 1.02 | 0.68 |
| Personally involved | 1.02 | 0.74 |
| <i>Significant association?</i> | *** | *** |
| Part-time hours not available | 0.95 | 0.68 |
| Part-time available/not involved | 0.94 | 0.66 |
| Personally involved | 0.90 | 0.68 |
| <i>Significant association?</i> | n.s. | n.s. |
| Job sharing not available | 0.91 | 0.67 |
| Job sharing available/not involved | 1.01 | 0.66 |
| Personally involved | 1.03 | 0.74 |
| <i>Significant association?</i> | *** | n.s. |
| All | 0.95 | 0.67 |

*** P≤0.001; n.s. not significant. Significance test is a one-way Anova test of association.

^a Job satisfaction is a four-item scale combining the questions in Figure 6.1, and varies from –2 to +2.

^b Organisational commitment is a six-item scale combining the questions in Figure 6.2, and varies from –2 to +2.

6.4 Multivariate Models of Job Satisfaction and Organisational Commitment

In this section we examine the impact of equality policies and flexible working arrangements in more detail using multivariate modelling. We also examine the impact of perceptions of inequality. This modelling allows us to account for other factors that may influence job satisfaction and organisational commitment and be associated with equality policies and flexible working, and to assess the independent impact of equality policies and flexible working arrangements more clearly.

The modelling strategy adopted here is similar to that in O'Connell and Russell (2005) for these outcomes. For both job satisfaction and organisational commitment, we first estimate the impact of equality policies and flexible working while controlling for personal characteristics (gender, age, marital status, educational qualifications, place of birth and ethnicity) and job controls (contract status, trade union membership, tenure, unsocial

working hours, long working hours – over 45 hours per week, professional/managerial occupations, and autonomy⁵⁵). Earnings, also included in the first set of models, are measured as the log of gross weekly earnings.⁵⁶ About one-tenth of individuals in the sample have missing values for earnings and are excluded from the models. The second set of models also includes organisational controls (public/private sector, personal participation in decision making,⁵⁷ consultation within the organisation,⁵⁸ and organisational change in the previous two years).⁵⁹ In the third set of models we add the impact of employees' perceptions of inequality in their workplaces. In these models, employees scored 1 if they answered 'no' to the questions in the survey measuring equality in pay and conditions, equal opportunities in recruitment and equal opportunities for career development. These questions and individual responses are discussed in detail in Section 3.3.

6.4.1 Determinants of job satisfaction

Table 6.3 presents the models of the index of job satisfaction. Employees who work in organisations with equality policies report higher job satisfaction, on average, than those who do not. This is true when personal and job characteristics are accounted for (Model 1), and also organisational characteristics (Model 2). Note the strong impact of consultation in increasing job satisfaction (see Table A6.1 in the appendix to this chapter). In organisations where employees are consulted about decisions and informed about changes, this significantly increases their job satisfaction.⁶⁰ Clearly in organisations with equality policies there are also higher levels of consultation with staff, which increases job satisfaction. It may be that these form a 'package' of work practices that are employee oriented – a combination of direct involvement in decision making, consultation and protective HR practices (see O'Connell et al., 2010b).

The addition of perceptions of inequality in Model 3 mediates the impact of equality policies on job satisfaction. The effects of perceptions of inequality are all negative and significant. This pattern suggests that one important mechanism by which the implementation of equality policies is associated with increased job satisfaction is by increasing employees' perceptions of fairness and equality in relation to key aspects of the employment relationship: recruitment, pay and conditions, and promotion. Employees who do not have confidence that these key aspects of their job are fair and equal have lower job satisfaction. That said, even

⁵⁵ The five-item autonomy scale is a combination of: 'You decide how much work you do or how fast you work during the day; Your manager decides the specific tasks you will do from day to day; You decide when you can take a break during the working day; Your manager monitors your work performance; You have to get your manager's OK before you try to change anything about the way you do your work'. See Chapter 7 for further details of the scale.

⁵⁶ As is common practice, the log of earnings is used to avoid outliers exerting disproportional influence on the coefficient.

⁵⁷ 'In some workplaces employees are given a direct say in deciding on the way in which the work is actually carried out. This is done through what might be known as work teams; problem-solving groups; project groups; quality circles; continuous improvement programmes or groups. Are there any such arrangements in your workplace to involve staff directly in the way in which work is carried out on a day-to-day basis?' Those who responded that such participation is present in their workplace were asked whether they personally participated in any of these groups. See O'Connell et al. (2010a), Chapter 3, for more details.

⁵⁸ The four-item consultation scale combines: 'How often are you and your colleagues consulted before decisions are taken that affect your work? If changes in your work occur, how often are you given the reason why? If you have an opinion different from your supervisor/manager, can you say so? If you are consulted before decisions are made, is any attention paid to your views?'

⁵⁹ Indicators of participation in the organisation and partnership at work were excluded as they were not significant.

⁶⁰ When we estimate Model 3 without the consultation index, the impact of equality policies is stronger. This model is not presented but is available from the authors.

accounting for consultation and perceptions of inequality, it is still the case that equality policies have a small but significant additional positive impact on job satisfaction.

Table 6.3: Linear regression models of job satisfaction: impact of equality, flexible working arrangements and perceptions of inequality

| | Model 1 | | Model 2 | | Model 3 | |
|------------------------------------|---|------|--|------|---|------|
| | With personal and job controls^a | | With personal, job, organisational controls^b | | Adding perceptions of inequality^c | |
| | B | | B | | B | |
| Equality policy | 0.169 | *** | 0.092 | *** | 0.056 | * |
| No. of flexible work practices | 0.049 | *** | 0.047 | *** | 0.044 | *** |
| Personally involved home working | 0.046 | n.s. | 0.020 | n.s. | 0.021 | n.s. |
| Personally involved flexitime | 0.012 | n.s. | -0.006 | n.s. | -0.008 | n.s. |
| Personally involved part-time work | 0.022 | n.s. | 0.008 | n.s. | 0.006 | n.s. |
| Personally involved job sharing | 0.005 | n.s. | 0.021 | n.s. | 0.018 | n.s. |
| Inequality in pay and conditions | | | | | -0.053 | * |
| Inequality in career development | | | | | -0.104 | *** |
| Inequality in recruitment | | | | | -0.095 | ** |
| N of cases | 4218 | | 4218 | | 4218 | |
| R square | 0.094 | | 0.189 | | 0.197 | |

Notes: See Table A6.1 in the appendix to this chapter for the full models.

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

^a Personal controls: gender, age, marital status, education, place of birth and ethnicity. Job and hours controls: contract status, trade union membership, tenure, unsocial working hours, long working hours (over 45 hours per week), professional/managerial occupations, job autonomy and log wages.

^b Organisational controls: industrial sector, personal participation in decision making, consultation within the organisation, and organisational change in the previous two years.

^c Perceptions of inequality: responses to questions on equality in recruitment, pay and conditions, and career development.

The higher the number of flexible working arrangements, the higher the job satisfaction, even after controlling for workplace characteristics and perceptions of inequality (model not shown), suggesting that in family-friendly workplaces employees are more satisfied. This is consistent with previous work suggesting that the ethos of an organisation is important for employee outcomes (Kelly et al., 2008).

Despite the fact that Table 6.2 showed that participation in many flexible working arrangements (home working, flexitime and job sharing) was associated with higher job satisfaction, we find no effect of personal involvement in flexible working arrangements on job satisfaction, once we control for personal characteristics. This was also the finding of the 2003 workplace survey (O'Connell and Russell, 2005).

It is particularly striking that there is no effect of part-time work on job satisfaction, either at bivariate level (see Table 6.2) or in any of the model specifications (see Table 6.3). There is also no effect of part-time work on job satisfaction when we run the model just for women. While this is consistent with earlier work in Ireland, previous work on job satisfaction in other countries, particularly in the UK, has found high levels of satisfaction among female part-time workers compared with their full-time counterparts (e.g. Booth and van Ours, 2008; Holst and Trzcinski, 2003). That said, most studies use an hourly cut-off point for part-time work, whereas these models use a self-defined measure of part-time work (see Chapter 4). To

approximate this, if we use a combination measure, such as those who say they are involved in part-time working and who record working less than 30 hours per week, as well as omitting the long and unsocial hours controls, we find a very modest effect of part-time work increasing satisfaction.⁶¹ We also investigate whether higher levels of dissatisfaction with hours worked among some part-time workers, particularly men, plays a role here. If we model the impact of part-time work on satisfaction (excluding satisfaction with hours worked), we find a modest positive impact of part-time work on job satisfaction, suggesting that part of the reason why part-time workers are not more satisfied with their jobs is because they are dissatisfied with their hours.⁶² However, using the self-defined measure of part-time work used in the rest of this report and the full index of satisfaction, we find no higher reported job satisfaction for part-time workers compared with full-time workers.

Aside from part-time work, the findings of the other effects (see Table A6.1 in the appendix to this chapter) are reasonably consistent with previous models of job satisfaction, measured in a similar way (Rose, 2005; Booth and van Ours, 2008; Pichler and Wallace, 2009). Women have higher levels of job satisfaction than men, controlling for other factors (Clark, 1997). Those working long and unsocial hours have lower levels of job satisfaction. High earners and employees in professional and managerial occupations have higher levels of satisfaction. Those with higher levels of autonomy in their work also have higher levels of job satisfaction. Public sector employees now have significantly lower levels of satisfaction than private sector employees, which was not the case in 2003. Finally, staff cuts in the previous two years are associated with considerably lower levels of job satisfaction.

6.4.2 Determinants of organisational commitment

Table 6.4 presents models of organisational commitment, controlling for personal and job characteristics in Model 4; adding workplace characteristics in Model 5; and adding perceptions of inequality in Model 6. From this table we see that the presence of an equality policy in the organisation has a positive association with organisational commitment. As was the case with job satisfaction, the impact is reduced by adding workplace characteristics, particularly the consultation scale (whether employees are consulted about decisions), but also the personal participation scale (whether employees have a direct say in how their organisation is run). If Model 5 is estimated without controls for consultation and participation, then the effect of equality policies is larger. These factors have a significant role to play in increasing organisational commitment (see Table A6.2 in the appendix to this chapter). This suggests that part of the impact of equality policies is through consultation and participation, linking to the argument above that these three may be part of a bundle of workplace practices that are associated with higher organisational commitment.

The addition of perceptions of inequality in Model 6 mediates the impact of equality policies on organisational commitment. The effect of perceptions of inequality in pay, career development and recruitment are all significant and negatively associated with organisational commitment: those who feel their organisation is unequal are less committed to it. Once again this pattern of effects suggests that one important mechanism by which equality policies increase organisational commitment is by increasing employees' perceptions of fairness and equality in relation to important dimensions of their jobs.

⁶¹ Results available from the authors. This also suggests that part of the reason why part-time workers record higher job satisfaction is because they are not working long and unsocial hours, both of which significantly reduce job satisfaction (see Table A6.1 in the appendix to this chapter).

⁶² There are no gender differences in this regard.

Table 6.4: Linear regression models of organisational commitment: impact of equality, flexible working arrangements and perceptions of inequality

| | Model 4 | | Model 5 | | Model 6 | |
|------------------------------------|---|------|--|------|---|------|
| | With personal and job controls^a | | With personal, job, organisational controls^b | | Adding perceptions of inequality^c | |
| | B | | B | | B | |
| Equality policy | 0.174 | *** | 0.073 | ** | 0.034 | n.s. |
| No. of flexible work practices | 0.003 | n.s. | -0.007 | n.s. | -0.010 | n.s. |
| Personally involved home working | 0.054 | n.s. | 0.039 | n.s. | 0.039 | n.s. |
| Personally involved flexitime | 0.056 | * | 0.038 | n.s. | 0.035 | n.s. |
| Personally involved part-time work | -0.021 | n.s. | -0.029 | n.s. | -0.031 | n.s. |
| Personally involved job sharing | 0.018 | n.s. | 0.021 | n.s. | 0.018 | n.s. |
| Inequality in pay and conditions | | | | | -0.077 | *** |
| Inequality in career development | | | | | -0.083 | ** |
| Inequality in recruitment | | | | | -0.116 | *** |
| N of cases | 4218 | | 4218 | | 4218 | |
| R square | 0.053 | | 0.182 | | 0.192 | |

Notes: See Table A6.2 in the appendix to this chapter for the full models.

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

^a Personal controls: gender, age, marital status, education, place of birth and ethnicity. Job and hours controls: contract status, trade union membership, tenure, unsocial working hours, long working hours (over 45 hours per week), professional/managerial occupations, job autonomy and log wages.

^b Organisational controls: industrial sector, personal participation in decision making, consultation within the organisation, and organisational change in the previous two years.

^c Perceptions of inequality: responses to questions on equality in recruitment, pay and conditions, and career development.

The number of flexible working arrangements is not associated with organisational commitment. There is no impact of a family-friendly ethos in the data, contrary to studies in other countries (Wood and de Menezes, 2010). There were similar findings for the 2003 data.⁶³ Employees who are personally involved in flexitime are somewhat more committed on average, even after controlling for personal and job characteristics. This effect is also reduced by the impact of sector and other workplace practices. If we omit consultation and participation from the specification, participation in flexitime does increase commitment. This suggests that flexible working arrangements may also be part of the bundle of employee-centred workplace practices that include equality policies, consultation, participation and protective HR practices, and that together they are associated with high employee commitment. Investigating this in more detail would require further research.

Other notable effects on organisational commitment are that women have higher levels of commitment than men; that people with third-level education have higher commitment than those with lower qualifications; that professionals and managers have higher levels of commitment than other occupations; and that staff cuts and reorganisation in the previous two years have a negative effect on organisational commitment (see Table A6.2 in the appendix to this chapter). Staff cuts and reorganisation can be seen as indicators of the impact of economic recession and clearly have damaging effects on organisational commitment for those still in employment.

⁶³ Here individual flexible working arrangements were tested separately and were not found to be significantly associated with organisational commitment.

6.5 Output Innovation

As noted in the introduction to this chapter, this is a survey of employees and it has a limited number of indicators that are relevant to organisational performance. One of these is product or service innovation, that is whether the organisation has introduced new or significantly improved products or services in the previous two years.⁶⁴ It is the closest measure in this survey to a business outcome.

Employees were asked whether their organisation had introduced a new product or service in the previous two years. The most useful innovation measure – since some organisations produce products and some produce services – is whether the organisation introduced any new or significantly improved products or services. When these two measures of output innovation are combined, about two-thirds of employees report that their organisation has introduced either new products or services within the previous two years: 58% in the public sector and 67% in the private sector. We will adopt this combined measure of the introduction of either products or services as the measure of output innovation for this section.

We model the factors associated with output innovation using logistic regression, given that the dependent variable, whether the employee indicated that the organisation introduced a significant new service or product in the past two years, is dichotomous. The overall strategy follows the strategy adopted for job satisfaction and commitment (i.e. we first include personal and job controls, as well as controls for equality policies and flexible work practices; we then add organisational and sectoral controls). The key results for the impact of having an equality policy, the number of flexible working arrangements and personal involvement in such arrangements are presented in Table 6.5. Once again the full model is presented in the appendix to this chapter (see Table A6.3).

Equality policies are positively associated with innovation, measured as introducing a new product or service in the previous two years, even after controlling for personal, job and workplace characteristics (Models 7 and 8). Organisations that have equality policies are also those that are innovative.

The same is true for the number of flexible working arrangements. The greater the number of flexible working arrangements, the more likely a firm is to have introduced a new product or service. This is true even after accounting for personal, job and workplace characteristics. There is no significant effect of personal participation in flexible working arrangements, aside from employees working at home. However, the effect is no longer significant once we control for workplace characteristics.

With these data we cannot show that the presence of equality policies and the availability of flexible working arrangements leads to innovation. However, the association with equality policies and the number of flexible working arrangements with output innovation does lend support for the business case for equality and flexible working.

⁶⁴ It is important to distinguish this kind of *output* innovation in products and services from *workplace* innovation, which entails changes in the manner in which work is carried out. Workplace innovation is analysed in the survey report (O'Connell et al., 2010a).

Table 6.5: Logistic regression models of output innovation: impact of equality policy and flexible working arrangements

| | Model 7 | | Model 8 | |
|------------------------------------|---|------|--|------|
| | With personal and job controls^a | | With personal, job, organisational controls^b | |
| | B | | B | |
| Equality policy | 0.704 | *** | 0.557 | *** |
| No. of flexible work practices | 0.147 | *** | 0.136 | *** |
| Personally involved home working | 0.307 | ** | 0.227 | n.s. |
| Personally involved flexitime | 0.034 | n.s. | -0.031 | n.s. |
| Personally involved part-time work | 0.005 | n.s. | -0.051 | n.s. |
| Personally involved job sharing | 0.089 | n.s. | 0.152 | n.s. |
| N of cases | 4353 | | 4353 | |
| Model chi-square | 239.4 | | 486.0 | |
| Nagelkerke R square | 0.074 | | 0.146 | |

Notes: See Table A6.3 in the appendix to this chapter for the full models.

** P≤0.01; *** P≤0.001; n.s. not significant.

^a Personal controls: gender, age, marital status, education, place of birth and ethnicity. Job and hours controls: contract status, trade union membership, tenure, unsocial working hours, long working hours (over 45 hours per week), professional/managerial occupations, job autonomy and wages.

^b Organisational controls: industrial sector, personal participation in decision making, consultation within the organisation, and organisational change in the previous two years.

6.6 Absenteeism

Absenteeism may be costly for employers. One US study claims that absenteeism costs organisations millions of dollars each year (Hausknecht et al., 2008). As such, absenteeism is often used as an argument in studies of the business case for equality and flexibility. Some authors argue that flexible work practices, such as reduced hours, flexitime and working from home, may reduce casual sickness absence occasioned by an employee's caring responsibilities (Drew et al., 2003); however, empirical evidence on the direct impact of flexible working arrangements is somewhat limited.

Canadian researchers have used longitudinal data from the Workplace Employee Survey (WES) at Statistics Canada to investigate the connection between flexible working arrangements and absenteeism in organisations for the period from 1999 to 2002 (Dionne and Dostie, 2007).⁶⁵ This study found that workers who participated in home working or a reduced working week had statistically significant lower levels of absenteeism, whereas employees involved in shift work or in a compressed working week had higher rates of absenteeism. Analyses of the firm-level variables show that the use of flexible job designs were associated with lower levels of absenteeism among the workforce.

In a UK study, Woods and de Menezes (2010) investigated the effect of family-friendly workplace management on human resources outcomes, including absenteeism, using WERS (Workplace Employment Relations Survey) 2004 data. They found that absenteeism is less common in environments where managers are supportive of employees' needs for flexibility and that organisational commitment is negatively associated with absenteeism;

⁶⁵ The sample was taken from the business registry of Statistics Canada, and the total number of cases for each of the four years varied from 23,500 to 16,813 in the final cohort.

however, family-friendly policies on a whole have no significant effect on an employee's absence or presence at work.

A number of authors have found that it is not flexible working per se but work–life conflict, job satisfaction and organisational commitment that are related to absenteeism. Kelly et al. (2008) cite a number of studies showing that employees with more work–family conflict also have higher levels of self-reported absenteeism. Van Steenbergen and Ellemers (2009) examined the impact of work–family facilitation by managers on their employees' physical health and sickness absence records in a Dutch financial firm. They found that 'energy based' and 'behaviour based facilitation' at the time of the survey emerged as significant predictors of decreased absenteeism over the year (2009). This implies that employees who feel that they can balance their energy levels and improve their behaviour, in their roles both as parent and worker, have a better level of health and, therefore, lower rates of sickness absenteeism. US studies have also stressed the salient role played by work attitudes in understanding absenteeism, in particular organisational commitment and job satisfaction (see Harrison and Martocchio, 1998, for a review). Regarding equality policies, Dex et al. (2001) find no impact of the presence of an equality policy on absenteeism.

Following these insights from the literature, we first look at the association between equality policies and flexible work arrangements and absenteeism, and then at the association between satisfaction, commitment, work pressure and work–life conflict, before continuing on to model these in a two-step multivariate model.

How is absenteeism measured? In the National Workplace Survey employees were asked: 'Please think back over the last four working weeks, not including holiday weeks. How many days, if any, were you absent from work because of illness or other reasons (except holidays) over the last four weeks?'⁶⁶ This is a standard measure of absenteeism, although as it is self-reported it may be subject to under-reporting and error⁶⁷.

Table 6.6 shows the mean number of days absent in the previous four weeks. Many employees (85%) were not absent at all in the preceding four weeks. The mean days absent is less than one day. There is no significant difference between mean days absent in organisations with and organisations without an equality policy. However, those personally involved in working from home, in part-time work and in job sharing all record lower mean days absent.

⁶⁶ This measure has been criticised for conflating two concepts: sickness, which can be a genuine and necessary reason for missing work, and absenteeism, which is when employees have time off for reasons not seen as valid by their employer (Dex et al., 2001). However, in practice these two are difficult to separate and, in some instances, it may not be useful to do so (i.e. work–life conflict may cause stress/exhaustion-related health problems that are associated with absenteeism).

⁶⁷ Error should be less as the question focuses on a relatively short time period.

Table 6.6: Mean number of days absent in previous four weeks, by equality policy and involvement in flexible working arrangements

| | Mean days absent in previous 4 weeks |
|---------------------------------|---|
| No equality policy | 0.72 |
| Equality policy in organisation | 0.75 |
| <i>Significant difference?</i> | n.s. |
| Not home working | 0.78 |
| Work from home | 0.40 |
| <i>Significant difference?</i> | ** |
| Not flexitime | 0.73 |
| Use flexitime | 0.78 |
| <i>Significant difference?</i> | n.s. |
| Full-time employee | 0.81 |
| Part-time employee | 0.54 |
| <i>Significant difference?</i> | * |
| Not job sharing | 0.79 |
| Job sharing | 0.38 |
| <i>Significant difference?</i> | * |
| All | 0.74 |

* $P \leq 0.05$; ** $P \leq 0.01$; n.s. not significant.

Table 6.7 presents mean scores for the scales we have used for job satisfaction, organisational commitment, work–life conflict and work pressure, by whether an employee recorded that they were absent in the past four weeks. Here we see that those who were absent record lower job satisfaction, lower commitment and higher work–life conflict than those who were not absent, and these associations are statistically significant. There is no association between work pressure scores and absenteeism.

Table 6.7: Mean scores for satisfaction, commitment, work–life conflict and work pressure, by whether an employee recorded absence in the previous four weeks

| | Job satisfaction scale | Organisational commitment scale | Work–life conflict index | Work pressure index |
|---|------------------------------|---------------------------------------|--------------------------------|---------------------------|
| One or more days absent in the previous four weeks | 0.82 | 0.58 | 1.69 | 0.34 |
| No absence | 0.96 | 0.68 | 1.53 | 0.31 |
| <i>Significant difference?</i> | *** | *** | *** | n.s. |
| Total | 0.94 | 0.66 | 1.55 | 0.32 |

Notes: For details of job satisfaction and commitment scales, see Section 6.2. For work–life conflict and work pressure, see Section 5.2.

*** $P \leq 0.001$; n.s. not significant.

We now model absenteeism to see if these associations remain once we control for other factors associated with absenteeism. For this we need count data models.⁶⁸ Poisson models are typically used for count data, but as the survey data has many zeros (85% of employees record no absence in the previous four weeks), tests show that the negative binomial model is most appropriate (Cameron and Trivedi, 1986).⁶⁹ Such models are often used for count data, for example GP visits (Nolan and Nolan, 2003) or absenteeism (Vistnes, 1997; Dionne and Diostie, 2007).

Further tests show that in this case absenteeism is best modelled as a two-step process.⁷⁰ First, we model factors affecting whether an employee recorded any absence (see Table 6.8a) using a logistic regression. Second, we model the number of days absent, for those absent, using a zero-inflated negative binomial model (see Table 6.8b). One benefit of this strategy is that factors affecting both processes may vary; as the tables show, in this case they do. The interpretation of the significance of effects in this model is similar to that for a logistic regression.

Table 6.8a shows the impact of equality policies, flexible working and a series of employee outcomes on whether an employee has recorded any absence in the previous four weeks. This model also controls for personal and job controls and detailed sector; these results are shown in Table A6.4 (see appendix to this chapter).⁷¹ From Table 6.8a we see no impact of equality policies or flexible working arrangements – either the number available in the organisation or personal involvement – on the probability of being absent in the previous four weeks. However, we do find a modest effect of work–life conflict in increasing the risk of absenteeism, as found in the US (Kelly et al., 2008). This is also consistent with Van Steenbergen and Ellemers (2009), who argue that employees who feel that they can balance their work and family life better, in their roles as parent and as worker, may have a better level of health and, therefore, lower rates of sickness absenteeism. We also find a modest effect of organisational commitment: employees who are more committed to the organisation they work for are less likely to be absent, even after controlling for a range of other factors (Harrison and Martocchio, 1998). The impact of job satisfaction is smaller and not statistically significant.

⁶⁸ Count data (measuring how many) differs from continuous data (measuring how much) in a number of important ways. Count variables cannot be negative (0 is the lowest possible value) and they are often skewed, so severely that 0 is the most common value, which is certainly true in the case of this measure of absenteeism. Count variables are also discrete, not continuous (i.e. it is not possible to have 1.3 children, though this may be the average family size).

⁶⁹ Initially a t-test is applied and the Poisson model is rejected.

⁷⁰ A likelihood ratio test shows that the two-step model as applied is favoured over a negative binomial model (see Cameron and Trivedi, 1986, for details of the tests; see also Nolan and Nolan, 2003, for an application of this model selection procedure).

⁷¹ An earlier model estimated just the impact of equality and flexible working without the employee outcomes but there were no differences in the findings so one model is presented for simplicity.

Table 6.8a: Model of absenteeism part 1: impact of equality policy, flexible working arrangements and employee outcomes on recording any absence (logistic regression)

| Model 9a | | |
|---|--------------|-------------|
| With personal and job controls, sector^a | | |
| | Coef. | Sig. |
| Equality policy | 0.158 | n.s. |
| No. of flexible work practices | −0.015 | n.s. |
| Personally involved home working | −0.056 | n.s. |
| Personally involved flexitime | 0.097 | n.s. |
| Personally involved part-time work | −0.038 | n.s. |
| Personally involved job sharing | 0.005 | n.s. |
| Work pressure (scale) | −0.007 | n.s. |
| Work–life conflict (scale) | 0.105 | # |
| Organisational commitment (scale) | −0.147 | # |
| Job satisfaction (scale) | −0.080 | n.s. |
| N of cases | 4598 | |
| Log likelihood | −1810.4 | |
| Model chi-square | 176.13 | |
| Prob. >chi-square | 0.000 | |

Notes: See Table A6.4 for full model.

$P \leq 0.1$; n.s. not significant.

^a Personal controls: gender, age, self-rated health, disability status, presence of children and place of birth. Job and sector: contract status, tenure, trade union membership, unsocial working hours, long working hours (over 45 hours per week), industrial sector, organisational size and professional/managerial occupations.

What about the impact on the number of days absent? From the model estimated on the 664 cases who record any absence, Table 6.8b shows no significant associations with equality policies, the number of flexible working arrangements or personal participation in flexible working arrangements. An earlier model showed how part-time workers have lower rates of absence, as Dionne and Dostie (2007) find, but this effect becomes insignificant once we control for detailed industrial sector. There are also no effects of work pressure, work–life conflict, commitment or satisfaction on the number of days absent. Some of this may be related to the fact that while the sample of employees is large, given not many of them record absence, this model is based on a much smaller number of cases than say the Dionne and Dostie study. A larger sample might yield some significant results.

Table A6.4 shows there are some significant factors associated with absence, and insofar as there are significant results, they are reasonably consistent with previous work on absenteeism. There is a curvilinear effect of age, for example. Controlling for other factors, younger employees are more likely to be absent; the effect wanes at older ages. Those with poor or fair health and a disability limiting their daily activities are both more likely to be absent and also to be absent for more days than those who are healthy (see Table A6.4 in the appendix to this chapter). In contrast to Dionne and Dostie (2007), however, those working unsocial hours are less likely to be absent. Employees in the hotel and retail sectors are also less likely to have been absent, compared with those in manufacturing. Employees in the health and other service sectors are somewhat less likely to have been absent.

Table 6.8b: Model of absenteeism part 2: impact of equality policy, flexible working arrangements and employee outcomes on days absent (zero truncated negative binomial model)

| Model 9a | | |
|---|--------------|-------------|
| With personal and job controls, sector^a | | |
| | Coef. | Sig. |
| Equality policy | −0.086 | n.s. |
| No. of flexible work practices | −0.086 | n.s. |
| Personally involved home working | −0.092 | n.s. |
| Personally involved flexitime | 0.366 | n.s. |
| Personally involved part-time work | −0.361 | n.s. |
| Personally involved job sharing | −0.242 | n.s. |
| Work pressure (scale) | 0.026 | n.s. |
| Work–life conflict (scale) | −0.017 | n.s. |
| Organisational commitment (scale) | 0.035 | n.s. |
| Job satisfaction (scale) | −0.093 | n.s. |
| N of cases | 664 | |
| Log likelihood | −1447.3 | |
| Model chi-square | 102.4 | |
| Prob. >chi-square | 0.000 | |

Notes: See Table A6.4 for full model.

n.s. not significant.

^a Personal controls: gender, age, self-rated health, disability status, presence of children and place of birth. Job and sector: contract status, tenure, trade union membership, unsocial working hours, long working hours (over 45 hours per week), industrial sector, organisational size and professional/managerial occupations.

Regarding the number of days absent, for those absent, women record more days absent on average than men, and employees with children aged 5 years and under record more days absent than those without children (see Table A6.4 in the appendix to this chapter). These are typical findings (see Vistnes, 1997). Those born abroad record fewer days absent than those born in Ireland, as do those working long or unsocial hours. Employees in the hotel, retail and public administration sectors record fewer days absent than those employed in other sectors. Those in larger organisations are no more likely to be absent, but once they are they record a higher number of days absent (Dionne and Dostie, 2007).

6.7 Summary

Equality policies in an organisation are associated with higher levels of job satisfaction and of organisational commitment, as was also found in 2003. One important mechanism by which the implementation of equality policies leads to increased job satisfaction and organisational commitment is increasing employees' perceptions of fairness. Perceptions of inequality (in earnings, career development and recruitment) are associated with lower levels of job satisfaction and of organisational commitment. These associations are strong and significant.

The higher the number of flexible working arrangements, the higher the job satisfaction, even after controlling for workplace characteristics and perceptions of inequality, suggesting that in family-friendly workplaces employees are more satisfied with their jobs. In 2003 there was no impact of the use of family-friendly working arrangements. We find no clear effects of

personal involvement in flexible working on job satisfaction; this was also found in 2003 (O'Connell and Russell, 2005). Of course, to the extent that longer working hours reduce job satisfaction, flexible working arrangements (at least part-time work and job sharing) play a role in limiting the extent of long working hours (Johnson et al., 2008).

The number of flexible working arrangements does not impact on organisational commitment. This is consistent with findings from 2003. Employees participating in flexitime are somewhat more committed, although once workplace and sectoral characteristics are accounted for the effect is no longer significant. Overall there is no strong direct evidence of an association between personal involvement in flexible working arrangements and organisational commitment, once other factors are taken into account. In general, these findings are consistent with findings from 2003.

This chapter also investigated the association between equality policies and flexible working arrangements that were not measured in 2003: output innovation and absenteeism. Both equality policies and flexible working arrangements are positively associated with innovation, measured as introducing a new product or service in the previous two years, even after controlling for a range of other factors. Organisations that have flexible work practices and equality policies are also those that are innovative.

At bivariate level there are indications of lower levels of absenteeism among those involved in some flexible work practices (home working, part-time work and job sharing), and there is also an association between absenteeism and job satisfaction, organisational commitment and work-life conflict. However, when we model absenteeism many of these factors are accounted for by personal, job and sectoral characteristics. We do find that, even after controlling for these factors, work-life conflict is associated with higher levels of absenteeism, and those committed to their organisation are less likely to be absent. As a relatively small number of cases record absence, we cannot rule out that a larger sample would have yielded significant results.

In general the finding is that it is the characteristics of the organisation – whether that is the presence of an equality policy or the availability of flexible working arrangements – rather than participation in flexible working arrangements that has a significant impact on job satisfaction, organisational commitment and/or output innovation. This finding is in contrast to that of Chapter 5, where it was direct participation in flexible working that had a marked impact on the outcomes studied. Perhaps this is not surprising, given that the outcomes in this chapter – particularly commitment and output innovation – are more closely related to the organisation than the individual.

Chapter 6 Appendix

Table A6.1: Linear regression models of job satisfaction

| | Model 1 With personal and job controls | | Model 2 With personal, job and organisational controls | | Model 3 Adding perceptions of inequality | |
|------------------------------------|---|-------------|---|-------------|---|-------------|
| | Coef. | Sig. | Coef. | Sig. | Coef. | Sig. |
| (Constant) | 0.598 | *** | 0.244 | * | 0.346 | ** |
| Female | 0.037 | n.s. | 0.044 | * | 0.043 | * |
| Age: 25–39 years | –0.153 | *** | –0.139 | *** | –0.142 | *** |
| Age: 40–54 years | –0.188 | *** | –0.176 | *** | –0.181 | *** |
| Age: 55 years and over | –0.089 | n.s. | –0.097 | * | –0.105 | * |
| Single | –0.080 | ** | –0.080 | ** | –0.076 | ** |
| Leaving Certificate | 0.054 | n.s. | 0.032 | n.s. | 0.031 | n.s. |
| PLC | –0.065 | n.s. | –0.067 | * | –0.065 | * |
| Tertiary | –0.033 | n.s. | –0.023 | n.s. | –0.021 | n.s. |
| Born abroad | –0.033 | n.s. | –0.016 | n.s. | –0.011 | n.s. |
| Ethnic minority | –0.037 | n.s. | –0.043 | n.s. | –0.039 | n.s. |
| Temporary contract | 0.018 | n.s. | 0.036 | n.s. | 0.041 | n.s. |
| Trade union member | –0.091 | *** | –0.008 | n.s. | –0.010 | n.s. |
| Tenure | 0.014 | n.s. | 0.032 | n.s. | 0.036 | * |
| Unsocial hours | –0.059 | *** | –0.051 | *** | –0.051 | *** |
| Long hours (over 45) | –0.072 | * | –0.082 | ** | –0.084 | ** |
| Autonomy scale | 0.113 | *** | 0.063 | *** | 0.065 | *** |
| Professional/managerial | 0.126 | *** | 0.100 | *** | 0.101 | *** |
| Log of gross weekly earnings | 0.038 | * | 0.037 | * | 0.037 | * |
| Public sector | | | –0.089 | *** | –0.092 | *** |
| Personal participation | | | 0.056 | ** | 0.056 | n.s. |
| Consultation scale | | | 0.188 | *** | 0.172 | n.s. |
| New CEO? | | | –0.029 | n.s. | –0.028 | *** |
| Staff cuts? | | | –0.131 | *** | –0.127 | *** |
| Reorganisation | | | –0.038 | n.s. | –0.031 | *** |
| Equality policy | 0.169 | *** | 0.092 | *** | 0.056 | * |
| No. of flexible work practices | 0.049 | *** | 0.047 | *** | 0.044 | *** |
| Personally involved home working | 0.046 | n.s. | 0.020 | n.s. | 0.021 | n.s. |
| Personally involved flexitime | 0.012 | n.s. | –0.006 | n.s. | –0.008 | n.s. |
| Personally involved part-time work | 0.022 | n.s. | 0.008 | n.s. | 0.006 | n.s. |
| Personally involved job sharing | 0.005 | n.s. | 0.021 | n.s. | 0.018 | n.s. |
| Inequality in pay and conditions | | | | | –0.053 | * |
| Inequality in career development | | | | | –0.104 | *** |
| Inequality in recruitment | | | | | –0.095 | ** |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

Reference categories for these models are: male, aged under 25, born in Ireland, White ethnicity, married, below Leaving Certificate qualification, not a trade union member, permanent contract, not managerial/professional occupation, private sector.

Table A6.2: Linear regression models of organisational commitment

| | Model 4 With personal and job controls | | Model 5 With personal, job and organisational controls | | Model 6 Adding perceptions of inequality | |
|------------------------------------|---|-------------|---|-------------|---|-------------|
| | Coef. | Sig. | Coef. | Sig. | Coef. | Sig. |
| | B | | B | | B | |
| (Constant) | 0.481 | *** | 0.091 | n.s. | 0.208 | n.s. |
| Female | 0.115 | *** | 0.106 | *** | 0.104 | *** |
| Age 25–39 | –0.033 | n.s. | –0.023 | n.s. | –0.028 | n.s. |
| Age 40–54 | –0.004 | n.s. | –0.005 | n.s. | –0.013 | n.s. |
| Age over 55 | 0.130 | ** | 0.105 | * | 0.094 | * |
| Single | –0.027 | n.s. | –0.025 | n.s. | –0.021 | n.s. |
| Leaving Certificate | 0.022 | n.s. | –0.006 | n.s. | –0.009 | n.s. |
| PLC | –0.049 | n.s. | –0.067 | * | –0.066 | * |
| Tertiary | –0.107 | ** | –0.129 | *** | –0.128 | *** |
| Born abroad | –0.087 | ** | –0.064 | * | –0.060 | * |
| Ethnic minority | 0.068 | n.s. | 0.073 | n.s. | 0.076 | n.s. |
| Temporary contract | –0.003 | n.s. | –0.001 | n.s. | 0.005 | n.s. |
| Trade union member | –0.130 | *** | –0.074 | *** | –0.075 | *** |
| Tenure | 0.000 | n.s. | 0.011 | n.s. | 0.015 | n.s. |
| Unsocial hours | –0.024 | *** | –0.014 | * | –0.014 | * |
| Long hours (over 45) | 0.028 | n.s. | 0.028 | n.s. | 0.026 | n.s. |
| Autonomy scale | 0.064 | *** | 0.006 | n.s. | 0.009 | n.s. |
| Professional/managerial | 0.097 | *** | 0.066 | ** | 0.068 | ** |
| Log of gross weekly earnings | 0.002 | n.s. | –0.004 | n.s. | –0.004 | n.s. |
| Public sector | | | 0.027 | n.s. | 0.022 | n.s. |
| Personal participation | | | 0.085 | *** | 0.085 | *** |
| Consultation scale | | | 0.225 | *** | 0.207 | *** |
| New CEO? | | | –0.039 | n.s. | –0.038 | n.s. |
| Staff cuts? | | | –0.069 | *** | –0.064 | *** |
| Reorganisation | | | –0.074 | *** | –0.067 | *** |
| Equality policy | 0.174 | *** | 0.073 | ** | 0.034 | n.s. |
| No. of flexible work practices | 0.003 | n.s. | –0.007 | n.s. | –0.010 | n.s. |
| Personally involved home working | 0.054 | n.s. | 0.039 | n.s. | 0.039 | n.s. |
| Personally involved flexitime | 0.056 | * | 0.038 | n.s. | 0.035 | n.s. |
| Personally involved part time work | –0.021 | n.s. | –0.029 | n.s. | –0.031 | n.s. |
| Personally involved job sharing | 0.018 | n.s. | 0.021 | n.s. | 0.018 | n.s. |
| Inequality in pay and conditions | | | | | –0.077 | *** |
| Inequality in career development | | | | | –0.083 | ** |
| Inequality in recruitment | | | | | –0.116 | *** |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

Reference categories for these models are: male, aged under 25, born in Ireland, White ethnicity, married, below Leaving Certificate qualification, not a trade union member, permanent contract, not managerial/professional occupation, private sector.

Table A6.3: Logistic regression models of innovation

| | Model 7 With personal and job controls | | Model 8 With personal, job and organisational controls | |
|------------------------------------|---|-------------|---|-------------|
| | Coef. | Sig. | Coef. | Sig. |
| | B | | B | |
| (Constant) | −0.040 | n.s. | −0.607 | n.s. |
| Female | −0.047 | n.s. | 0.077 | n.s. |
| Age: 25–39 years | −0.162 | n.s. | −0.095 | n.s. |
| Age: 40–54 years | −0.413 | ** | −0.297 | * |
| Age: 55 years and over | −0.492 | ** | −0.307 | n.s. |
| Single | −0.070 | n.s. | −0.056 | n.s. |
| Leaving Certificate | −0.089 | n.s. | −0.113 | n.s. |
| PLC | −0.026 | n.s. | −0.022 | n.s. |
| Tertiary | −0.195 | n.s. | −0.116 | n.s. |
| Born abroad | 0.104 | n.s. | 0.104 | n.s. |
| Ethnic minority | 0.587 | ** | 0.575 | ** |
| Temporary contract | −0.540 | *** | −0.396 | *** |
| Trade union member | −0.108 | n.s. | 0.132 | n.s. |
| Tenure | −0.003 | n.s. | −0.027 | n.s. |
| Unsocial hours | 0.060 | ** | 0.062 | ** |
| Long hours (over 45) | 0.155 | n.s. | 0.060 | n.s. |
| Autonomy scale | −0.103 | * | −0.179 | *** |
| Professional or managerial | 0.133 | n.s. | 0.044 | n.s. |
| Log of gross weekly earnings | 0.044 | n.s. | −0.018 | n.s. |
| Public sector | | | −0.672 | *** |
| Personal participation | | | 0.438 | *** |
| Consultation scale | | | 0.295 | *** |
| New CEO? | | | 0.134 | n.s. |
| Staff cuts? | | | 0.139 | * |
| Reorganisation? | | | 0.425 | *** |
| Equality policy | 0.704 | *** | 0.557 | *** |
| No. of flexible work practices | 0.147 | *** | 0.136 | *** |
| Personally involved home working | 0.307 | ** | 0.227 | n.s. |
| Personally involved flexitime | 0.034 | n.s. | −0.031 | n.s. |
| Personally involved part-time work | 0.005 | n.s. | −0.051 | n.s. |
| Personally involved job sharing | 0.089 | n.s. | 0.152 | n.s. |
| N of cases | 4353 | | 4353 | |
| Model chi-square | 239.4 | | 486.0 | |
| Nagelkerke R square | 0.074 | | 0.146 | |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

Reference categories for these models are: male, aged under 25, born in Ireland, White ethnicity, married, below Leaving Certificate qualification, not a trade union member, permanent contract, not managerial/professional occupation, public sector.

Table A6.4: Models of absenteeism

| | Model 9 | | Model 10 | |
|------------------------------------|-------------------|-------------|--------------------|-------------|
| | Absent/Not | | Days absent | |
| | Coef. | Sig. | Coef. | Sig. |
| (Constant) | −0.800 | n.s. | −12.675 | n.s. |
| Female | 0.152 | n.s. | 0.506 | * |
| Age | −0.132 | *** | −0.123 | # |
| Age squared | 0.001 | *** | 0.002 | * |
| Health scale [†] | 0.201 | *** | 0.214 | * |
| Has disability | 0.826 | *** | 1.484 | *** |
| Kids under 5 years | 0.105 | n.s. | 0.831 | *** |
| Kids 6–17 years | 0.103 | n.s. | 0.264 | n.s. |
| Born abroad | 0.008 | n.s. | −0.883 | *** |
| Temporary contract | −0.110 | n.s. | −0.220 | n.s. |
| Tenure | 0.034 | n.s. | −0.239 | n.s. |
| Trade union member | 0.193 | # | 0.264 | n.s. |
| Long hours (over 45) | −0.156 | n.s. | −0.565 | # |
| Unsocial hours | −0.103 | *** | 0.099 | # |
| Construction | −0.092 | n.s. | 0.809 | n.s. |
| Retail | −0.483 | ** | −0.709 | # |
| Hotel | −0.731 | ** | −1.112 | * |
| Transport | 0.225 | n.s. | −0.380 | n.s. |
| Finance | −0.132 | n.s. | −0.241 | n.s. |
| Public administration | −0.115 | n.s. | −0.695 | # |
| Education sector | 0.022 | n.s. | −0.395 | n.s. |
| Health | −0.280 | # | −0.487 | n.s. |
| Other services | −0.569 | # | −0.504 | n.s. |
| Organisation size > 100 | 0.090 | n.s. | 0.588 | ** |
| Professional or managerial | 0.027 | n.s. | −0.113 | n.s. |
| Equality policy | 0.158 | n.s. | −0.086 | n.s. |
| No. of flexible work practices | −0.015 | n.s. | −0.086 | n.s. |
| Personally involved home working | −0.056 | n.s. | −0.092 | n.s. |
| Personally involved flexitime | 0.097 | n.s. | 0.366 | n.s. |
| Personally involved part-time work | −0.038 | n.s. | −0.361 | n.s. |
| Personally involved job sharing | 0.005 | n.s. | −0.242 | n.s. |
| Work pressure (scale) | −0.007 | n.s. | 0.026 | n.s. |
| Work–life conflict (scale) | 0.105 | # | −0.017 | n.s. |
| Organisational commitment (scale) | −0.147 | # | 0.035 | n.s. |
| Job satisfaction (scale) | −0.080 | n.s. | −0.093 | n.s. |

P≤0.1; * P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

[†] Health scale is self-rated health and varies from 1 to 5, with 5 being poor and 1 being excellent.

Reference categories for these models are: male, no disability, no children under 18, born in Ireland, permanent contract, not a trade union member, manufacturing sector, organisational size below 100 employees, not managerial/professional occupation.

7 THE IMPACT OF EQUALITY POLICIES AND FLEXIBLE WORKING ON EARNINGS AND AUTONOMY

7.1 Introduction

In this chapter we look at whether equality policies and flexible working arrangements impact on two aspects of job quality: earnings and autonomy. Earnings represent, arguably, the most fundamental objective measure of job quality. Autonomy represents a subjective measure of job quality and reflects the extent to which workers exercise discretion and control in their jobs. Previous research suggests that some forms of flexible working can have a negative impact on job quality and addresses the issue of whether there is a trade-off between flexibility and job rewards – do employees pay a price for greater flexibility? (McGinnity and McManus, 2007).

In the literature there has been a particular focus on the relationship between part-time working and job quality. The pay gap between part-time and full-time workers appears to be particularly strong in the UK and has widened over recent years (Manning and Petrongolo, 2008). Connolly and Gregory (2009) found that women in the UK who switched from full-time to part-time work experienced an immediate drop in hourly earnings of 32% on average, and this was followed by a permanently lower earnings trajectory. The decline in earnings was linked to the occupational downgrading that accompanied a movement from full-time to part-time work: up to 17% of women making such a shift were downwardly mobile (Connolly and Gregory, 2008).

McGinnity and McManus (2007) also found a high wage penalty for part-time workers in the UK and the US, even when controlling for observed and unobserved differences in characteristics. This penalty was steepest for those who worked the shortest number of hours. For those working fewer than 15 hours the gap with full-time workers was 18%, while those working 15 to 34 hours could expect to earn between 9% and 10% less per hour. In Germany, in contrast, the initial difference in earnings between part-time and full-time workers could be explained by differences in composition. Bardasi and Gornick (2008) found part-time pay penalties for most OECD countries, except Sweden. However, Beblo and Wolf (2002) found no wage depreciation for part-time work experience in the Netherlands.

Women in part-time jobs have also been found to receive less training from their employers (OECD, 1999), which damages part-time workers' opportunities for promotion and career development (O'Reilly and Fagan, 1998).

In Ireland, a number of studies have addressed the link between part-time working and pay. Using pay data from 1997, Barrett et al. (2000) found that there was no difference in the rewards to human capital for women working part time and those working full time, although they did note that women working full time were a more selective group (had positive unobservable characteristics). They concluded that the higher rate of part-time work amongst women did not contribute to the gender pay gap. In 2003, O'Connell and Gash found a pay penalty among part-time workers that was greatest for those who worked the shortest hours. Controlling for education and age, people working fewer than 15 hours per week earned 26% less than full-time workers, while those working between 15 and 29 hours earned 17% less on average.

More recent analysis of the gender pay gap (McGuinness et al., 2009), based on the 2003 National Employment Survey, found that women working part time received lower financial rewards to their human capital (education level, proxied work experience and job tenure) than men working part time, though the return received by part-time workers relative to full-time workers is not reported. The study also found that women's greater involvement in part-

time work widened the gender pay gap by 1.9%. Kelly et al. (2009) suggest that trade union presence and collective pay agreements play an important role in improving gender equality within the part-time labour market.

There has been rather less focus on the impact on job quality of flexitime, job sharing and working from home (see Chapter 1 for further discussion). In 2003 it was found that part-time workers and those involved in job sharing enjoyed less autonomy than full-time workers with similar qualifications and job experience (O'Connell and Russell, 2005). While this indicated that part-time workers experience a penalty in terms of control over their work as well as lower hourly wages, this difference was accounted for by the occupational and sectoral distribution of part-time workers. It was also found that employees involved in working at home and flexitime enjoyed higher levels of autonomy even when a wide range of personal, job and organisational features were held constant.

The literature also posits a possible link between equality policies and job quality. Where such policies are introduced as a part of a 'high commitment' human resource strategy, greater employee autonomy and higher wages may also be a part of that approach. Therefore, the expected relationship between equality policies and pay/autonomy is not a causal one.

In Section 7.2 we describe the earnings measures used in the study, we briefly identify changes in earnings over the two surveys and then consider whether participation in flexible working arrangements and the presence of equality policies influences hourly pay levels. We develop models of pay, which allow us to consider the independent effect of flexible working and equality policies. In Section 7.3 we follow the same analytical strategy for autonomy.

7.2 Earnings

The measure of pay used in the study refers to *hourly* earnings in order to take account of differences in the number of hours worked (e.g. between full-time and part-time workers). The measure refers to gross pay.⁷² The results come from a single question on earnings and another on usual hours worked and, therefore, are not as reliable as information gathered in surveys such as the Survey on Income and Living Conditions (SILC), which collects detailed information on payments and deductions, or the National Employment Survey (NES), which collects earnings details directly from employer payrolls. Nevertheless, the levels of earnings and patterns of results are consistent with those from other data sources.

The period covered by the two National Workplace Surveys mark a volatile era in wage levels. In 2003 wages were rising rapidly as a consequence of the economic boom and labour shortages. In contrast, the 2009 survey took place after the Irish economy had entered a deep recession (see Chapter 2). It coincided with the introduction of the public sector pension levy, which led to an effective reduction of 8%, on average, in the earnings of public sector workers; while rising unemployment and collapsing markets also put pressure on wages in the private sector. Consequently, one-fifth of employees reported that they had experienced a drop in their hourly pay in the two years preceding the survey, compared with less than 1% of employees in 2003 (see O'Connell and Russell, 2005). Unsurprisingly, given the changes to public sector pay, the proportion experiencing wage cuts is highest in the public sector (37%); nevertheless, 16% of private sector employees also report a pay cut.⁷³

⁷² As the 2003 survey collected information on net pay rather than gross pay, the results are not directly comparable.

⁷³ As the 2009 survey occurred at the same time as the introduction of the pension levy, some respondents may not yet have received their revised pay packet; moreover, as the pay cut took the form of a pension levy, respondents may not have considered this as a cut in their hourly pay.

7.2.1 Flexible working, equality policy and earnings

Table 7.1 shows the influence of flexible working arrangements on earnings for 2003 and 2009. The results for 2009 replicate those found in 2003 with contrasting effects for different forms of flexibility. Those who are personally involved in job sharing and part-time work have lower than average hourly earnings, while employees who work from home have higher average earnings than employees not involved in home working. There is no significant difference in earnings between workers with flexible working hours/flexitime and those without, although further analysis reveals that having this practice at the organisational level is associated with higher earnings.

Table 7.1: Mean hourly earnings, by involvement in flexible working arrangements, 2003 and 2009

| | 2003 Net^a | 2009 Gross |
|--|---------------------------------|-----------------------|
| Do not work from home | 11.60 | 18.84 |
| Work from home | 14.96 | 24.06 |
| <i>Ratio home working : not home working</i> | <i>1.29</i> | <i>1.28</i> |
| Do not have flexitime | 11.79 | 19.52 |
| Work flexitime | 12.16 | 19.44 |
| <i>Ratio flexitime : no flexitime</i> | <i>1.03</i> | <i>1.00</i> |
| Full-time employee | 12.18 | 20.09 |
| Part-time employee | 10.64 | 17.79 |
| <i>Ratio part time : full time</i> | <i>0.87</i> | <i>0.89</i> |
| Do not job share | 11.87 | 19.61 |
| Job sharing | 11.71 | 18.51 |
| <i>Ratio job sharing : not job sharing</i> | <i>0.99</i> | <i>0.94</i> |
| Zero flexible arrangements in organisation | | 18.56 |
| All 4 flexible arrangements in organisation | | 25.22 |
| All | 11.88 | 19.48 |

^a Figures in 2003 are net of taxes. The tax system should narrow the differential between part-time and full-time workers.

The number of flexible working arrangements available within the organisation is also associated with mean hourly earnings. Employees in organisations with none of the four types of flexibility have significantly lower hourly earnings than those working in organisations that offer all four forms of flexibility (see Table 7.1). These results do not take into account the sector of the organisation or other job characteristics and it is necessary to examine whether flexible working influences earnings, either positively or negatively, when other relevant factors are taken into account.

Although the measures of earnings used in 2003 refer to *net* earnings and those in 2009 refer to *gross* earnings, it is nevertheless possible to note that the pay ratio between those taking up different types of flexible work arrangements has not changed significantly over the period. In 2003 those working from home earned 29% more on average than those who did not; the corresponding figure is 28% in 2009. The 'raw' pay gap between part-time workers and full-time workers was 13% in 2003 and is 11% in 2009. As the tax system should narrow the differential between part-time and full-time workers, the gross gap in 2003 is likely to have been somewhat higher; therefore, the results may disguise a decline in this gap.

Employees in organisations with formal equality policies are found to earn significantly more per hour (€20.13) than those working in firms without such policies (€16.76). This association is likely to be due in part to the greater presence of equality policies in the public sector, where average hourly earners are also higher. In order to explore the reason for this association we construct a model of hourly earnings.

Following O'Connell and Russell (2005), we model earnings in two steps. First, we control only for personal characteristics (age, gender, born abroad, disability) including human capital indicators (education and time out of employment⁷⁴). Second, we examine the impact of involvement in flexible working arrangements on earnings when these factors are held constant. Employees who work from home during normal working hours are found to earn significantly more than others with similar education and work experience. In contrast, those working part-time hours earn 6% less per hour than full-time workers with the same measured characteristics. Involvement in flexitime and job sharing has no impact on earnings in Model 1 when personal characteristics were controlled (see Table 7.2).

Table 7.2: Linear regression models of earnings, by involvement and equality policy

| | Model 1 | | Model 2 | |
|------------------------------------|---|------|---|------|
| | With personal controls^a | | With personal, job and organisational controls^b | |
| Equality policy | | | .019 | n.s. |
| No. of flexible work practices | | | .044 | *** |
| Personally involved home working | .079 | *** | .012 | n.s. |
| Personally involved flexitime | -.017 | n.s. | -.058 | *** |
| Personally involved job sharing | -.005 | n.s. | -.046 | # |
| Personally involved part-time work | -.061 | *** | -.030 | # |
| N cases | 4300 | | 4300 | |
| Adjusted r square | 0.307 | | 0.365 | |

Notes: See Table A7.1 in the appendix to this chapter for the full models.

P≤0.1; *** P≤0.001; n.s. not significant.

^a Personal and human capital controls: gender, age, marital status, disability, place of birth, education, time out of the labour market (equality policy and number of flexible practices are not included as these are features of the organisation).

^b Job controls: contract status, trade union in organisation, job tenure, occupation. Organisational controls: industrial sector, trade union in organisation, organisational size (all branches in Ireland), incentives linked to performance.

In the second model we introduce occupational and organisational controls such as presence of a trade union, industrial sector, organisation size and incentivised payment systems. Equality policy and number of flexible work practices are added to the model at this point as they are features of the organisation rather than the individual. We find that when occupation and sector are controlled the pay penalty attached to part-time work is much reduced, which indicates that the concentration of part-time work in low-paid occupations and sectors accounts for most of the gap in pay.

Further analysis shows that this pattern of results persists if we focus only on women. Female part-time workers experience a 6% pay penalty, compared with women working full time with similar human capital and personal characteristics and the penalty is much reduced and becomes non-significant when occupation and organisational characteristics

⁷⁴ This is measured in years out of employment since leaving full-time education.

are controlled (see Table A7.2). In contrast, there is no significant pay penalty for part-time work for men when those with similar personal characteristics are compared.⁷⁵

Model 2 also shows that the pay premium for working from home is explained by the occupational position of those involved and the other features of the organisations in which they work. For example, we saw in Chapter 4 that the professional and managerial groups are those most likely to be involved in home working and these groups have significantly higher levels of earnings.

Interestingly, flexitime is found to be negatively associated with hourly earnings, when the number of flexible work practices available in an organisation is added to the full model. This suggests that once we account for the fact that those with access to flexitime tend to work in more flexible organisations, which are associated with higher hourly earnings, employees who work flexible hours earn less, on average. This effect is present for men and women but is only statistically significant for women (see Table A7.2, Model 4, in the appendix to this chapter).⁷⁶ In addition, the negative effect of flexitime is much stronger in the public sector, and, by contrast, is small and insignificant in the private sector (see Table A7.3, Models 5 and 6, in the appendix to this chapter). Therefore, there appears to be some trade-off in earnings for personal participation in flexible working hours that is not accounted for by the characteristics of the workers involved or their concentration in certain occupations or industries. This finding somewhat challenges the notion that flexible scheduling of working hours can offer some of the benefits of part-time work, in terms of work–life conflict, without the costs (see Gornick and Heron, 2006).

Leaving aside the effects of personal involvement in flexible working, we find that the number of flexible work practices on offer within the organisation is positively associated with earnings. There are a range of possible explanations for such an association. For example, flexible firms may be more successful and able to pay their staff more, or more financially successful firms may introduce flexible working practices. Alternatively, workplace flexibility may be part of a broader cluster of ‘high performance’ work practices that are found, in some cases, to include greater financial rewards for employees (see O’Connell et al., 2010a, and Watson et al., 2010, for discussion of the literature). Without longitudinal information it is not possible to establish the causal processes and pathways involved.

Finally, we see from Model 2 (Table 7.2) that there is no significant independent effect of having a formal equality policy on earnings levels once factors such as economic sector and organisational size have been controlled. We saw in Chapter 3 that sector and size were strongly predictive of equality policies, and it is size and sector that have a strong independent influence on earnings rather than the presence of an equality policy. Even if we confine the analysis to the private sector, where there is more variation in the presence of equality policies, no independent effect of equality policies on wages is found (see Table A7.4, Models 7 and 8, in the appendix to this chapter). However, when we split the sample by gender, we find that there is a positive effect among male employees: that is, controlling for other factors, men working in organisations with equality policies have significantly higher levels of pay (see Table A7.2, Model 4, in the appendix to this chapter). As outlined in the introduction, this effect is likely to be indirect and may reflect more general working conditions and work practices in these workplaces.

⁷⁵ This non-significance may be partly due to the smaller number of men who work part-time hours, although the smaller co-efficient is consistent with McGuinness et al.’s (2009) finding that the part-time penalty is greater for women.

⁷⁶ The effect is of borderline significance for men ($P=.09$).

7.3 Autonomy

We turn now to the measure of intrinsic work quality, employee autonomy. To measure autonomy, we included five questions that have been widely used and validated in previous surveys (see item wording in Table 7.3).⁷⁷ The items address three dimensions of autonomy: task discretion (control over the work itself and the way tasks are carried out), control of work effort/pace of work and control over work time. Employee autonomy is a central element of job quality and is strongly linked to other measures of employee well-being (Gallie, 2007; O'Connell et al., 2004). Moreover, it is found that autonomy can mediate the effect of other more negative aspects of the work environment such as work pressure (Gallie, 2005).

The response set for the autonomy items was 'almost always', 'often', 'sometimes', 'rarely/almost never'. The items were worded alternately so that some were positive and some were negative; to construct a scale they were recoded so that higher scores indicate greater autonomy. Scores on the five items were then averaged for each respondent and the scale values range from 0 for those who never have autonomy in the five items examined to 3 for those who almost always have autonomy. The average score was 1.62 and the Alpha was .61.

Table 7.3: Measures of autonomy, 2003 and 2009

| | Proportion responding almost always or often | |
|---|---|------|
| | 2003 | 2009 |
| You decide how much work you do or how fast you work during the day | 59.0 | 67.7 |
| Your manager decides the specific tasks you will do from day to day | 47.0 | 42.5 |
| You decide when you can take a break during the working day | 54.0 | 60.8 |
| Your manager monitors your work performance | 48.0 | 56.6 |
| You have to get your manager's okay before you try to change anything with the way you do your work | 50.0 | 48.7 |
| Mean Autonomy Score | 1.57 | 1.62 |

The results in Table 7.3 suggest that the extent of employee autonomy has increased since 2003.⁷⁸ In 2009 employees are more likely to decide how much or how fast they work, and when to take a break, and managers are less likely to decide specific tasks. However, the proportion of employees who consider that their manager almost always/often monitors their work performance has increased from 48% to 57% and there has been little change in the proportion who always need to get approval from their manager to change the way they do their work. It is possible that this change is linked to greater use of performance management systems and performance-related pay. The greater monitoring of performance and the link between performance and rewards has also been promoted by the national partnership agreements over the period in question. These results are broadly consistent with employees' perceptions of change within their own jobs, as just under half believe that their level of control increased over the preceding two years (O'Connell et al., 2010a).

⁷⁷ A sixth item, 'You can decide to take on new work or new contracts or initiate new projects', was not repeated in 2009 as it was found to be relevant for only a subset of employees in 2003.

⁷⁸ The difference in the mean score on the autonomy scale between 2003 and 2009 is statistically significant ($P=.002$).

Previous analysis of the 2009 survey (O'Connell et al., 2010a) found that private sector workers report greater autonomy than those in the public sector. Autonomy is particularly high in financial services, construction, transport and education and low in public administration, manufacturing and the hospitality sectors. Employees in smaller organisations report having more autonomy at work than do their counterparts in larger organisations. Permanent employees report more autonomy than temporary workers.

7.3.1 Influence of flexible working and equality policies on autonomy

We first examine the mean autonomy scores of those involved in flexible working compared with those who are not. The patterns in 2009 are very similar to those in 2003. People working from home enjoy higher levels of autonomy, as argued in O'Connell and Russell (2005) and Russell et al. (2009b): the freedom to work at home without supervision is itself a form of autonomy and indicates a high level of trust between employer and employee.

In a similar vein, flexitime or flexible working hours that divest some control over working time is a form of flexibility which involves autonomy and, therefore, it is unsurprising that those involved in flexitime have higher average scores on the autonomy scale. In contrast, those working part-time hours or job sharing have lower average autonomy scores. The presence of flexible arrangements at the workplace is also associated with higher autonomy scores, regardless of an employee's own use of these options.

Table 7.4: Autonomy, by flexible working arrangements (mean scores), 2003 and 2009

| | 2003 ^a | 2009 |
|---|-------------------|------|
| Do not work from home | 1.53 | 1.56 |
| Work from home | 2.15 | 2.10 |
| Do not have flexitime | 1.52 | 1.57 |
| Work flexitime | 1.78 | 1.75 |
| Full-time employee | 1.59 | 1.65 |
| Part-time employee | 1.51 | 1.54 |
| Do not job share | 1.58 | 1.63 |
| Job sharing | 1.53 | 1.54 |
| Zero flexible arrangements in organisation | 1.43 | 1.48 |
| All 4 flexible arrangements in organisation | 2.07 | 1.88 |
| All | 1.57 | 1.63 |

^a 2003 scores recalculated using the same five items as in 2009.

In order to establish whether flexible working has a cost or a benefit in terms of autonomy and to establish whether these patterns simply arise because of other characteristics of those availing of such options, we calculate statistical models (see Table 7.5). As in the case of earnings, the first model (Model 9) controls only for the individual's characteristics, including those referred to as human capital (education, job experience, time out of employment). The results of the model show that the enhanced autonomy levels of those who work from home and those working flexitime are not due to differences in the skills, qualifications or personal characteristics of those involved. The same is true for the negative effect of part-time working and job sharing on employees' autonomy.

This pattern of results remains intact even when a range of job and organisational factors are held constant (Model 10). In fact, the disadvantage attached to part-time work increases

when factors such as occupation, sector and firm size are controlled. Unlike earnings, therefore, part-time workers and job sharers have lower autonomy even when they are working in the same job and type of organisation as full-time workers. More positively, those who work from home and those who have flexible working hours also have more autonomy in other areas of work, even when occupation and organisational type are held constant.

Table 7.5: Linear regression models of autonomy, by involvement and equality policy

| | Model 9 With personal controls^a | | Model 10 With personal, job and organisational controls^b | |
|------------------------------------|---|-----|--|-----|
| Personally involved home working | .402 | *** | .194 | *** |
| Personally involved flexitime | .147 | *** | .079 | ** |
| Personally involved job sharing | -.117 | ** | -.091 | * |
| Personally involved part-time work | -.074 | ** | -.158 | *** |
| No. of flexible work practices | | | .075 | *** |
| Equality policy | | | -.063 | * |
| N of cases | 4736 | | 4736 | |
| Adjusted R square | .130 | | .213 | |

Notes: See Table A7.5 in the appendix to this chapter for the full models.

* P≤0.05; ** P≤0.01; *** P≤0.001.

^a Personal and human capital controls: gender, age, marital status, disability, place of birth, education, time out of the labour market (equality policy and number of flexible practices are not included as these are features of the organisation).

^b Job controls: contract status, trade union in organisation, job tenure, occupation. Organisational controls: economic sector, organisational size (all branches in Ireland), incentives linked to performance.

The availability of a greater number of flexible work arrangements at the organisational level is associated with greater employee autonomy, even if the individual employee is not involved in the practice. This is likely to reflect an organisational culture that is open to employee involvement.

Contrary to our expectations and to the results of the 2003 survey, which found no association, Model 10 shows that the presence of an equality policy is associated with a somewhat lower level of autonomy in the final model. We speculate that this association may arise because such policies indicate a more formal, bureaucratic approach within an organisation, which is also associated with a greater number of managerial levels and monitoring of work tasks. This is consistent with the finding that autonomy also decreases with organisational size and trade union presence. It should be noted that the size of the negative equality policy effect is smaller than the effects for flexible working and the other job and organisational factors.

7.4 Summary

Do employees pay a price for greater flexibility? The answer seems very much dependent on the form of flexibility adopted.

Part-time workers do seem to trade off earnings and autonomy for shorter working hours. They earn less per hour than those with the same level of qualifications and experience, which is largely due to their location in lower paying occupations, sectors and organisations. This penalty is of a similar magnitude to that found in 2003 (O'Connell and Russell, 2005). Part-time workers are also given less autonomy in their work than full-time workers with the

same measured individual and job/organisation-level characteristics. Part-time workers in 2009 appear to fare worse in terms of autonomy than their counterparts did in 2003, when we found that the effect of part-time work became non-significant when occupation and organisational characteristics were controlled (O'Connell and Russell, 2005). Note, however, the measures and models were not identical in both years.⁷⁹

Job-sharers also experience a disadvantage in terms of autonomy and wages. Again, this differs somewhat from the 2003 results, when job sharers were also found to enjoy lower levels of job autonomy than other workers with similar personal and human capital characteristics but this was explained by the occupational and organisational location of job sharing (O'Connell and Russell, 2005).

In contrast, those who work from home during normal working hours enjoy a higher level of earnings and have greater autonomy than similarly qualified and experienced workers who do not have this form of flexibility. In the case of earnings, this can be accounted for by the types of position occupied by this group of workers (professional/managerial) and other features of the organisation in which they work. But in the case of autonomy, this advantage persists within jobs and sectors, which was also found in the 2003 data (O'Connell and Russell, 2005).⁸⁰ It seems likely that working from home involves a high level of trust between employee and employer and this extends to other areas of working life.

Those involved in flexitime/flexible working hours also enjoy a higher level of autonomy that cannot be explained by either their personal characteristics or the other features of their job or organisation. This result suggests that the devolution of control over working hours is associated with greater control over other aspects of work. However, we find that those working flexible hours/flexitime do pay a price in terms of hourly earnings, when the overall number of flexible working arrangements in the organisation, and other organisation and occupation effects, are held constant. This 'price' applies to both men and women. The effect is stronger in the public sector and, therefore, may be related to the availability of formal flexitime arrangements to those in lower-paid grades. This pattern of results is not observed if we apply a very similar model to the 2003 data. This suggests that during the recession employers may be deflecting any costs associated with this work practice onto employees, which was not the case during the boom period. However, we cannot rule out that this emerging difference is not a consequence of our shift from net to gross earnings (so that in 2003 a pay-penalty was compensated for by the tax system).

We cannot tell from the present study whether part-time workers are aware of a penalty and consciously make a trade-off between shorter hours and pay and autonomy. Or if flexitime workers realise the price they pay in terms of earnings; or if job sharers are aware of their lower autonomy levels. The current findings suggest this price is not justified in terms of the qualifications and experience that these flexible workers bring to their jobs. In the case of earnings, the remedy appears to lie in providing part-time opportunities in a wider range of occupations and sectors. In the case of flexible working time, the earnings for those involved needs to be examined in greater depth.

Equality policies are less likely to have a direct effect on an employee's earnings or autonomy and are more likely to be linked to these outcomes through a range of associated

⁷⁹ In the 2003 survey (O'Connell and Russell, 2005) the measure of autonomy contained one additional item: 'you can decide to take on new work or new contracts or initiate new projects'. This item was dropped in the 2009 survey because there was a higher number of 'not-applicable' responses on this item and because it was more relevant to those in certain types of occupation.

⁸⁰ In 2003 the earnings advantage for those working from home was not significant once personal factors such as education and experience were controlled. The measure of working from home was more stringent in the 2009 survey (see Chapter 4).

practices that cluster together in 'good employers' or organisations that can be considered more employee-centred.

Chapter 7 Appendix

Table A7.1: Linear regression models of earnings

| | Model 1 With personal controls | | Model 2 With personal, job and organisational controls | |
|---|--------------------------------------|------|--|------|
| | Coef. | Sig. | Coef. | Sig. |
| (Constant) | 2.153 | *** | 2.267 | *** |
| Age: 25–39 years | .367 | *** | .298 | *** |
| Age: 40–54 years | .413 | *** | .333 | *** |
| Age: 55 years and over | .450 | *** | .370 | *** |
| Female | –.053 | ** | –.069 | *** |
| Born abroad | –.070 | *** | –.046 | * |
| Has disability | –.002 | n.s. | –.011 | n.s. |
| Kids under 18 | .069 | *** | .056 | ** |
| Single | –.073 | ** | –.073 | ** |
| Inter Certificate | .077 | n.s. | .047 | n.s. |
| Leaving Certificate | .211 | *** | .136 | *** |
| PLC diploma | .331 | *** | .215 | *** |
| Degree | .606 | *** | .383 | *** |
| Job tenure | .001 | *** | .001 | *** |
| Time out of the labour market | –.010 | *** | –.010 | *** |
| Trade union in organisation | | | .062 | *** |
| Construction | | | .134 | *** |
| Retail and wholesale | | | –.235 | *** |
| Hotels and restaurants | | | –.097 | * |
| Transport and communication | | | –.029 | n.s. |
| Financial and business services | | | .037 | n.s. |
| Public administration and defence | | | .071 | * |
| Education | | | .093 | ** |
| Health | | | .023 | n.s. |
| Other services | | | –.107 | * |
| Size of organisation: 5–19 employees | | | .042 | n.s. |
| Size of organisation: 20–99 employees | | | .068 | n.s. |
| Size of organisation: 100–499 employees | | | .101 | ** |
| Size of organisation: 500+ employees | | | .096 | ** |
| Professional | | | .082 | *** |
| Associate professional and technical | | | –.063 | * |
| Clerical | | | –.132 | *** |
| Craft and related | | | –.101 | ** |
| Service | | | –.222 | *** |
| Plant and operatives | | | –.168 | *** |
| Other occupations | | | –.186 | *** |
| Incentives linked to performance | | | .045 | ** |
| No. of flexible work practices | | | .044 | *** |
| Equality policy | | | .019 | n.s. |
| Personally involved home working | .079 | *** | .012 | n.s. |
| Personally involved flexitime | –.017 | n.s. | –.058 | *** |
| Personally involved job sharing | –.005 | n.s. | –.046 | n.s. |
| Personally involved part-time work | –.061 | *** | –.030 | n.s. |
| N cases | 4300 | | 4300 | |
| Adjusted R square | 0.307 | | 0.365 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Reference categories for models are: male, aged under 25, born in Ireland, no disability, married, no kids under 18, no qualification, no trade union in organisation, manufacturing sector, fewer than 5 employees, managerial occupation, no performance-related incentives.

Table A7.2: Linear regression models of earnings, by gender

| | Women | | Men | |
|---|--------------|-------------|--------------|-------------|
| | Coef. | Sig. | Coef. | Sig. |
| Model 3: Personal controls^a | | | | |
| Personally involved home working | .073 | * | .089 | ** |
| Personally involved flexitime | -.018 | n.s. | -.010 | n.s. |
| Personally involved job sharing | .012 | n.s. | -.053 | n.s. |
| Personally involved part-time work | -.061 | ** | -.023 | n.s. |
| Model 4: Personal, job and organisational controls^b | | | | |
| Personally involved home working | .014 | n.s. | .018 | n.s. |
| Personally involved flexitime | -.073 | ** | -.042 | n.s. |
| Personally involved job sharing | -.046 | n.s. | -.049 | n.s. |
| Personally involved part-time work | -.030 | n.s. | .003 | n.s. |
| No. of flexible work practices | .052 | *** | .054 | * |
| Equality policy | .016 | n.s. | .037 | *** |
| N cases | 2287 | | 2013 | |
| Adj. R square (final model) | 0.404 | | 0.355 | |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

^a Personal and human capital controls: gender, age, marital status, disability, place of birth, education, time out of the labour market, tenure in current job (equality policy and number of flexible practices are not included as these are features of the organisation).

^b Job controls: contract status, trade union in organisation, job tenure, occupation. Organisational controls: industrial sector, trade union in organisation, organisational size (all branches in Ireland), incentives linked to performance.

Table A7.3: Linear regression models of earnings, by private and public sector

| | Private sector | | Public sector | |
|---|----------------|------|---------------|------|
| | Coef. | Sig. | Coef. | Sig. |
| Model 5: Personal controls^a | | | | |
| Personally involved home working | .144 | *** | -.034 | n.s. |
| Personally involved flexitime | .001 | n.s. | -.043 | n.s. |
| Personally involved job sharing | -.019 | n.s. | -.012 | n.s. |
| Personally involved part-time work | -.054 | * | -.031 | n.s. |
| Model 6: Personal, job and organisational controls^b | | | | |
| Personally involved home working | .067 | * | -.139 | ** |
| Personally involved flexitime | -.037 | n.s. | -.092 | |
| Personally involved job sharing | -.042 | n.s. | -.042 | n.s. |
| Personally involved part-time work | -.022 | n.s. | -.023 | n.s. |
| No. of flexible work practices | .032 | ** | .067 | *** |
| Equality policy | .024 | n.s. | .010 | n.s. |
| N cases | 2826 | | 1473 | |
| Adj. R square (final model) | 0.355 | | 0.337 | |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$; n.s. not significant.

^a Personal and human capital controls: gender, age, marital status, disability, place of birth, education, time out of the labour market (equality policy and number of flexible practices are not included as these are features of the organisation).

^b Job controls: contract status, trade union in organisation, job tenure, occupation. Organisational controls: industrial sector, trade union in organisation, organisational size (all branches in Ireland), incentives linked to performance.

Table A7.4: Linear regression models of earnings, by equality policy

| | Model 7 Equality policy | | Model 8 No equality policy | |
|---|----------------------------|------|-------------------------------|------|
| | Coef. | Sig. | Coef. | Sig. |
| (Constant) | 2.373 | *** | 2.061 | *** |
| Age: 25–39 years | .329 | *** | .216 | ** |
| Age: 40–54 years | .372 | *** | .191 | * |
| Age: 55 years and over | .420 | *** | .201 | n.s. |
| Female | –.070 | *** | –.084 | n.s. |
| Born abroad | –.043 | n.s. | –.038 | n.s. |
| Has disability | –.019 | n.s. | .098 | n.s. |
| Kids under 18 | .048 | * | .083 | n.s. |
| Single | –.074 | ** | –.093 | n.s. |
| Inter Certificate | .025 | n.s. | .162 | n.s. |
| Leaving Certificate | .118 | ** | .229 | ** |
| PLC diploma | .199 | *** | .248 | ** |
| Degree | .364 | *** | .449 | *** |
| Job tenure | .001 | *** | .001 | *** |
| Time out of the labour market | –.012 | *** | –.010 | * |
| Trade union in the organisation | .051 | ** | .128 | * |
| Construction | .080 | n.s. | .345 | *** |
| Retail | –.240 | *** | –.129 | n.s. |
| Hotel and restaurants | –.101 | * | .042 | n.s. |
| Transport | –.019 | n.s. | –.022 | n.s. |
| Finance | .035 | n.s. | .099 | n.s. |
| Public administration | .070 | * | .067 | n.s. |
| Education | .093 | ** | .147 | n.s. |
| Health | .037 | n.s. | –.037 | n.s. |
| Other services | –.145 | ** | .043 | n.s. |
| Size of organisation: 5–19 employees | –.061 | n.s. | .188 | ** |
| Size of organisation: 20–99 employees | –.012 | n.s. | .161 | * |
| Size of organisation: 100–499 employees | .011 | n.s. | .209 | * |
| Size of organisation: 500+ employees | .006 | n.s. | .240 | ** |
| Professional | .074 | ** | .162 | n.s. |
| Associate professional and technical | –.067 | * | –.006 | n.s. |
| Clerical | –.143 | *** | .001 | n.s. |
| Craft and related | –.071 | n.s. | –.225 | * |
| Services | –.199 | *** | –.282 | ** |
| Plant and operatives | –.176 | *** | –.134 | n.s. |
| Other occupations | –.114 | n.s. | –.442 | ** |
| Incentives linked to performance | .050 | ** | .017 | n.s. |
| No. of flexible work practices | .047 | *** | .030 | n.s. |
| Personally involved home working | .007 | n.s. | –.023 | n.s. |
| Personally involved flexitime | –.062 | *** | –.002 | n.s. |
| Personally involved job sharing | –.055 | * | –.032 | n.s. |
| Personally involved part-time work | –.037 | n.s. | .003 | n.s. |

* $P \leq 0.05$; ** $P \leq 0.01$; *** $P \leq 0.001$, n.s. not significant. The smaller number of cases in the ‘no equality policy’ model means that the results are less likely to be statistically significant.

Reference categories for these models are: male, aged under 25, born in Ireland, no disability, married, no kids under 18, no qualifications, no trade union in the organisation, manufacturing sector, organisational size fewer than 5 employees, managerial occupation, no performance-related incentives.

Table A7.5: Linear regression models of autonomy

| | Model 9 | | Model 10 | |
|---|-------------------------------|-------------|---|-------------|
| | With personal controls | | With personal, job and organisational controls | |
| | Coef. | Sig. | Coef. | Sig. |
| (Constant) | 1.102 | *** | 1.504 | *** |
| Age: 25–39 years | .243 | *** | .334 | *** |
| Age: 40–54 years | .386 | *** | .476 | *** |
| Age: 55 years and over | .527 | *** | .593 | *** |
| Female | –.082 | *** | –.065 | ** |
| Born abroad | –.036 | n.s. | –.024 | n.s. |
| No disability | –.146 | ** | –.132 | ** |
| Kids under 18 | .031 | n.s. | .023 | n.s. |
| Single | –.054 | n.s. | –.043 | n.s. |
| Inter Certificate | –.012 | n.s. | –.005 | n.s. |
| Leaving Certificate | .109 | * | .075 | n.s. |
| PLC diploma | .252 | *** | .193 | *** |
| Degree | .326 | *** | .233 | *** |
| Job tenure | .000 | n.s. | .001 | *** |
| Time out of the labour market | –.006 | * | –.004 | n.s. |
| Trade union in workplace | | | –.308 | *** |
| Construction | | | .089 | n.s. |
| Retail | | | –.092 | * |
| Hotel | | | .119 | n.s. |
| Transport | | | –.047 | n.s. |
| Financial and business services | | | –.067 | n.s. |
| Public administration | | | –.051 | n.s. |
| Education | | | –.004 | n.s. |
| Health | | | –.066 | n.s. |
| Other services | | | .115 | n.s. |
| Size of organisation: 5–19 employees | | | –.093 | n.s. |
| Size of organisation: 20–99 employees | | | –.159 | ** |
| Size of organisation: 100–499 employees | | | –.242 | *** |
| Size of organisation: 500+ employees | | | –.291 | *** |
| Size of organisation: don't know | | | –.306 | ** |
| Professional | | | –.024 | n.s. |
| Associate professional and technical | | | –.122 | ** |
| Clerical | | | –.142 | *** |
| Craft and related | | | –.230 | *** |
| Service | | | –.244 | *** |
| Plant and operative | | | –.426 | *** |
| Other occupations | | | –.162 | * |
| Incentives linked to performance | | | .041 | n.s. |
| No. of flexible work practices | | | .075 | *** |
| Equality policy | | | –.063 | * |
| Personally involved home working | .402 | *** | .194 | *** |
| Personally involved flexitime | .147 | *** | .079 | ** |
| Personally involved job sharing | –.117 | ** | –.091 | * |
| Personally involved part-time work | –.074 | ** | –.158 | *** |
| N of cases | 4736 | | 4736 | |
| Adjusted R square | .130 | | .213 | |

* P≤0.05; ** P≤0.01; *** P≤0.001; n.s. not significant.

Reference categories for these models are: male, age under 25, born in Ireland, no disability, married, no kids under 18, no qualifications, no trade union in the organisation, manufacturing sector, organisational size fewer than 5 employees, managerial occupation, no performance-related incentives.

8 CONCLUSION

The first key task of this report was to examine the extent of formal equality policies and flexible working arrangements in the workplace in 2009, their distribution across workplaces and how this has changed since 2003. The second key task was to examine the impact of flexible working arrangements on outcomes – for employees and for organisations – as perceived by employees. The way we did this was to look first at whether there is any overall association between equality policies and flexible working arrangements and employee well-being and organisational outcomes. We then asked whether this may be related to the type of jobs people do, other features of the organisations they work for or who they are (in terms of gender, age, nationality, etc.). Is there still an association after we take these characteristics into account? These are the results we concentrate on in this summary.

8.1 Changes in Equality Policies and Flexible Working, 2003–2009

In terms of change over time in equality policies and flexible working practices, 2003 and 2009 represent very different labour market contexts in Ireland. In 2003 employment was at a record high and growing, earnings were rising rapidly, immigration was increasing, unemployment was low and the boom had years still to run. This is in contrast to 2009, when the labour market has just entered a deep recession, with severe consequences for employment, wages and employees in both public and private sector workplaces.

How have workplaces responded to the changed environment? In Chapter 2 we speculated on a number of possible implications for equality policies and flexible working arrangements: retrenchment in the face of recession, the impact of the changing characteristics of jobs and employees, the role of policy developments and an alternative hypothesis that there would simply be a continuation of earlier trends.

We find that, according to employees, formal equality policies spread out through the Irish workplace over the period from 2003 to 2009. Coverage was already high in the public sector in 2003 and private sector employers increasingly adopted such policies in the intervening period. In 2003, 75% of employees said they were working in an organisation with a formal equality policy; this figure had risen to 84% by 2009. Coverage particularly increased in the private sector: from 71% of employees reporting that their organisation had an equality policy in 2003 to 81% in 2009.

Such policies are also strongly associated with employees' perceptions of fairness in key aspects of the employment relationship: recruitment, pay and conditions, and career development. Of course, we cannot say whether the presence of such policies alone will improve equality in the workplace; this will depend on how they are implemented. Yet at the very least, the presence of such a policy is likely to signal awareness and recognition of equality in the workplace as an issue, and this is likely to support other efforts to promote equality and reduce discrimination.

Flexible working arrangements have also clearly increased in Irish workplaces over the period. This is true of the availability of flexible working arrangements, as well as personal involvement. Once again, the most notable rise was in the private sector. As these flexible working arrangements differ in both the jobs they are associated with and the people who participate in them, we discuss them separately.

The availability of and personal participation in working from home rose in the private sector but not in the public sector. This was the only form of flexible working that we investigated that is more prevalent in the private sector in 2009. This increase is recorded even though there is a somewhat narrower definition of working from home (i.e. outside normal working hours) in 2009 compared with that used in the 2003 survey. Working from home is more

commonly practised among those working in financial and business services and particularly those working in professional or managerial jobs. It is associated with longer working hours than average.

The incidence of flexitime or flexible working hours also increased, particularly in the private sector. This is now the most common form of flexible working arrangement, practised by around 30% of employees, and rates of availability and personal participation are almost identical in the public and private sectors. Personal participation is slightly higher among women, but the difference is not large.

Part-time work also increased and once again the rise was more marked in the private sector. In fact, by 2009 personal participation in part-time work was slightly higher in the private sector (26% of employees) than in the public sector (24%), although availability was somewhat higher in the public sector. Participation in part-time work is much more common among female employees, and in the retail, hospitality and health sectors. Given the high proportion of male part-time employees who are dissatisfied with their hours worked (21%), we cannot rule out that some of the rise in part-time work may be involuntary, particularly among men.

The incidence of job sharing among employees in Ireland is much lower than part-time work, although it has also risen somewhat in the period and in 2009 over 9% of employees are involved in job sharing. Job sharing is much more common in large organisations and in the public sector. It is also more common among women.

Given the salient changes in the Irish labour market over the period, we also tested the impact of compositional effects using a pooled model with 2003 and 2009 data. We were particularly interested in sectoral changes. For example, did the collapse of the construction sector, where equality policies and flexible working are not at all common, play a role in the increases we see? The evidence from these models does not suggest that such change was entirely or even mostly driven by compositional changes in the labour market, aside from the modest rise in job sharing. There is evidence of a clear rise in the prevalence of equality policies and flexible working even after accounting for these changes.

The overall rise is consistent with an interpretation that policy measures supported the increase in equality and flexible working, and also the explanation that there was a continuation of earlier trends towards an increase in equality policies and flexible working arrangements. Employers may also have been responding to an increasing demand from employees for flexible work practices.

As this analysis is based on two time points, it is not possible to identify when exactly the changes happened and it is also possible that trends shifted. The period from 2003 to 2009 covered both boom (up to the end of 2007) and recession (from 2008). There may have been increases in flexible working arrangements up to the end of 2007 and a slight fall since. It is also possible that the trends indicated by these mid-2009 figures (i.e. from the early phase of the recession) will have changed as the recession progressed. This is always an issue with data of this nature. We can say, however, that there was no evidence of retrenchment in Irish workplaces in terms of either formal equality policies or flexible working arrangements by mid-2009. In fact, the presence of both has increased during the period, particularly in the private sector.

8.2 Impact on Employees

This report examines the impact of equality policies and flexible working arrangements on employee well-being and job quality, after accounting for the nature of the work, the

organisation and the characteristics of the individual. The measures of employee well-being are work pressure and work–life conflict; the measures of job quality are pay and autonomy.⁸¹

Equality policies have a modest but statistically significant impact on reducing work pressure and work–life conflict. Employees who work in organisations with a formal equality policy have lower scores on both work pressure and work–life conflict, even after controlling for a range of other factors expected to affect pressure and work–life conflict. These findings are broadly consistent with those from 2003, although the results for work pressure are stronger in 2009. The presence of an equality policy in an organisation has no impact on job quality, measured as earnings and autonomy, as was the case in 2003.

As the different types of flexible working arrangement vary substantially in their impact on employees, each is discussed separately.

Part-time work has the strongest positive impact on employee well-being of all the flexible working arrangements. Part-time work reduces work–life conflict and work pressure significantly, even after accounting for personal characteristics, occupation and organisational characteristics. The trade-off is that part-time work is also associated with lower earnings, although this wage penalty is much reduced once we account for job and organisational characteristics. Even after all controls, however, part-time workers have significantly lower levels of job autonomy.

Job sharing is in some ways similar to part-time work, given the low working hours, but it is much less common than part-time work. Job sharing reduces work–life conflict, although the impact is modest, and was not found in the 2003 survey. Participation in job sharing has no impact on work pressure or pay. Job sharing is associated with lower job autonomy, even after controlling for other factors. Those working part-time hours and job sharing have lower work–life conflict, but also lower job autonomy.

As noted above, flexitime (or flexible working hours) has become much more common. Organisational use of flexitime – possibly a measure of a climate of flexibility in the organisation – is associated with less work pressure and reduced work–life conflict. However, personal participation in flexitime does not reduce either work pressure or work–life conflict. This is a somewhat surprising finding. A higher number of flexible working arrangements in an organisation is associated with higher hourly pay. Yet, once we control for this, personal participation in flexible working hours is associated with lower hourly pay, particularly in the public sector. Personal participation in flexible working hours is associated with increased autonomy, suggesting that those with autonomy over their working hours may also have more autonomy over other aspects of their job.

Home working differs markedly in its effect on employees when compared with the other flexible working arrangements. Participation in working from home increases both work–life conflict and work pressure. This result was also found in the 2003 survey. While heralded as a means of facilitating work–life balance, this suggests that working from home is more a form of work intensification. Those with higher earnings are more likely to work from home regularly, although this is related to the jobs they do. They also enjoy greater autonomy in their jobs and this effect remains after accounting for personal and organisational characteristics.

⁸¹ Job satisfaction and commitment can also be seen as measures of employee well-being. As they are more closely linked to organisational outcomes, and grouped with them in Chapter 6, they are discussed in Section 8.3.

8.3 Impact on Organisations

In order to explore the impact of equality policies and flexible work practices on organisations, we considered their effect on job satisfaction, organisational commitment, whether an organisation introduced a new product or service, and absenteeism in the previous four weeks. These effects are all based on responses from employees.

This study shows that equality policies are associated with increased job satisfaction, increased organisational commitment and increased output innovation. Equality policies were also associated with increased job satisfaction and organisational commitment in the 2003 study. There is no direct association between having an equality policy in the organisation and lower absenteeism. However, given that equality policies are associated with increased organisational commitment, and more committed employees are less likely to be absent from work, they may have an indirect effect. Such an effect has also been found in other countries. To the extent that they do have these effects, then equality policies are associated with enhanced organisational performance.

One important mechanism by which the presence of equality policies leads to increased job satisfaction and organisational commitment is by increasing employees' perceptions of fairness. Perceptions of inequality – in earnings, career development and recruitment – are associated with lower job satisfaction and lower organisational commitment. These associations are strong and significant.

The number of flexible working arrangements in an organisation – which we interpret as a signal of a flexible, employee-centred ethos – is associated with some of the organisational outcomes considered, namely job satisfaction and output innovation. The presence of an equality policy is associated with higher satisfaction and a higher likelihood of introducing a new product or service. Interestingly, we find no effect of the number of flexible working arrangements on commitment, in contrast to a number of other studies. The number of flexible working arrangements is also not associated with absenteeism, once we control for other factors. There is, however, some evidence that the availability of these flexible working arrangements may have some positive effects on the organisation.

Personal participation in flexible working arrangements, for the most part, did not have statistically significant effects on organisational outcomes. Once we control for other factors, we find no impact of home working, flexitime, part-time work and job sharing on job satisfaction or organisational commitment. These findings are broadly in line with those from the 2003 study. Home working is associated to some extent with higher output innovation, but this is accounted for by the sectoral and workplace characteristics of those working from home. Similarly, before accounting for sector, part-time workers record fewer days absent but the effect is not statistically significant when we control for sector. No other forms of participation in flexible working have an impact on innovation or absenteeism.

As noted in Chapter 6, we tend to find that it is the characteristics of the organisation – the presence of an equality policy or the availability of flexible working arrangements – rather than participation in flexible working arrangements that has a significant impact on organisational outcomes.

8.4 Avenues for Future Research

While this report has uncovered a range of interesting findings on equality policies and flexible working arrangements in Ireland, it also raises a number of questions and suggests the need for further investigation. Some of these questions can be addressed using the existing rich data on the workplace in Ireland, and some require further studies to be carried out.

One possible avenue for future work using existing data is to examine in more depth the bundling of workplace practices and their impact on employees and organisational performance. The idea that equality policies and flexible work arrangements should be part of a bundle of workplace practices may make sense from a policy or indeed practice point of view, and was indeed advocated as part of the National Workplace Strategy. However, this does make it more difficult to isolate the individual impact of, say, equality policies from other employee-centred practices like consultation and employee participation. Further work could examine in more depth this bundling and try to devise models to investigate this, as do Riley et al. (2008) in the UK.

More in-depth data – perhaps a sectoral study combining employer and employee data – would be required to enhance our understanding of the impact of equality policies by examining in detail their levels of implementation, in a similar way to Dex and Smith (2001) in the UK. Given that these policies are now so widespread in organisations in Ireland, it would be interesting to probe the variation in how they are implemented, to further understand their impact on employee well-being and on organisational outcomes.

A longitudinal survey of firms that collects information on equality policies, flexible work arrangements and a range of financial and organisational outcomes would provide a very interesting complement to the findings of this study. Such studies are not without problems, for example attrition, particularly during a recession, and one also needs enough companies changing policies or practices in order to properly identify the impact of the measures on outcomes. A study of this nature might yield more robust findings in support of the business case for equality and flexible working, although evidence to date has been modest.

8.5 Summary

Overall the current recession has had a very damaging effect on the Irish labour market. There is, however, no evidence from this study, at least in the early period of recession, that workplaces have responded by curtailing formal equality policies or the available options for flexible working.

The study shows that not only are equality policies associated with better outcomes for employees – lower work pressure and reduced work–life conflict – they are also associated with some better organisational outcomes – increased job satisfaction, greater organisational commitment and higher output innovation. The number of flexible working arrangements available in an organisation is also found to have a positive impact on job satisfaction and output innovation.

The effects of personal participation in flexible working arrangements on well-being are more complex. On the one hand, part-time work and job sharing reduce work–life conflict and work pressure but are associated with lower autonomy and lower average hourly earnings. On the other, home working is associated with higher work pressure and work–life conflict, but also higher autonomy.

In spite of the challenging environment facing Irish workplaces, it is encouraging, at least according to this evidence, that equality policies and flexible working arrangements have not been significantly curtailed. Given their generally positive impact on employee well-being, this is likely to be good for employees and the organisations in which they work.

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