



WORK & CARE
THE NECESSARY INVESTMENT



Combining Work and Care
**THE BUSINESS CASE FOR
CARER-FRIENDLY WORKPLACES**

REPORT NO.2 WORK & CARE INITIATIVE



WHAT DO WE MEAN BY “CARER”?

A CARER IS SOMEONE WHO PROVIDES UNPAID CARE AND SUPPORT TO FAMILY MEMBERS AND FRIENDS WHO HAVE A DISABILITY, MENTAL ILLNESS, CHRONIC CONDITION OR TERMINAL ILLNESS, AND THOSE WHO ARE FRAIL AGED.

This paper is part of a series of reports on employment and care by Carers Australia. Further reports will be released during 2014.

Report No.1 Combining Work and Care **The benefits to carers and the economy**

Establishes the Australian demographic context of the ‘tipping point’ for care, looks at the impact of the caring role on employment and outlines why improving the employment prospects of carers is beneficial to both carers and the economy.

Report No.2 Combining Work and Care **The business case for carer-friendly workplaces**

Illustrates what carers need to combine work and care and highlights the benefits to employers of implementing carer-friendly workplace policies. The paper also provides examples of flexible leave and working arrangements.

INTRODUCTION

Advances in healthcare are seeing the elderly, chronically ill and those with disabilities living longer than ever, which in turn has an effect on Australia's 'balance of care'; the number of people of working age compared to those who require care. In fact by the year 2027, over a fifth of Australia's population will be aged over 65 years¹. These demographic trends will continue to have a direct impact on our workforce, with an increasing number of Australians needing to take on caring responsibilities in the near future.

As the proportion of carers in the workplace increases, there is an impending necessity for employers to change how they operate. Implementing flexible workplace provisions which allow people to combine work and care will increasingly underpin the capacity of employers to attract skilled workers, retain experienced employees (and thus save on the costs and disruption of replacing those employees) and foster a productive, efficient and effective workforce.

Family and friend carers in the workforce

Data from the latest (2012) Survey of Disability, Ageing and Carers (SDAC) released by the Australian Bureau of Statistics shows that the total number of unpaid carers of people with disabilities, mental illness, chronic health conditions, terminal illnesses and the frail aged in Australia is now nearly 2.7 million.² Currently, estimates show that approximately 3–4 per cent of Australian employees become carers each year³, however as the proportion of our population over 65 years continues to increase, so too will the need for unpaid carers.

A primary carer is someone who provides the majority of care for another individual. Primary carers are most likely to care for their partner; however of those primary carers whose main recipient is a parent, most are aged 45 to 64 years⁴ and are therefore in their prime working age.

Any employee can become a carer at any time – if a family member or friend has an accident or acquires an illness or disability, or if an ageing parent becomes frail. Addressing the needs of carers in the workplace is therefore an issue for *all* employers. Australian Bureau of Statistics' research shows that there is no significant difference between employed carers and non-carers on the basis of broad occupational and industry categorisations. This is true whether or not we are looking at primary carers or non-primary carers. Interestingly, there is also no real differentiation between carers and non-carers employed full-time or part-time on the basis of median hours worked, although it is true that primary carers are more likely to work part-time than non-primary carers and non-carers.

1 Taskforce on Care Costs 2007, *The hidden face of care: Combining work and caring responsibilities for the aged and people with a disability*, p.11

2 Australian Bureau of Statistics 2012, *Survey of Disability, Ageing and Carers*

3 Hill, T Thomson, C Bittman, M & Griffiths, M 2008, *What kinds of jobs help carers combine care and employment?* Australian Institute of Family Studies, *Family Matters* No.80, p.27

4 Australian Bureau of Statistics 2012, *Survey of Disability, Ageing and Carers*

What do carers want?

Nearly 20 per cent of primary carers in Australia perceive the main barrier to re-entering the workforce while caring as the 'difficulty in arranging work hours'.⁵ The main reasons identified by all carers for being unable to use special working arrangements to help look after someone include 'work commitments' (33.9 per cent), 'nature of work makes using flexible working arrangements difficult' (25 per cent) and 'do not have adequate working arrangements' (14.5 per cent). The types of special working arrangements that all carers want more of to help combine work and care include paid leave (42.1 per cent), flexible working hours (24.3 per cent) and working from home (13 per cent).⁶

Recent changes to the Fair Work Act have gone some way toward addressing these needs by extending the right to request flexible working conditions to carers of people with a disability, medical condition, mental illness and those who are frail aged, and including additional requirements for employers to consult with employees before making changes to regular rosters or hours of work.⁷ However, it is important to note that studies show carers' perceptions of what is possible in their workplace may actually be a more important predictor of whether they remain employed at the onset of caring responsibilities than having access to formal provisions.⁸ This illustrates the importance of not just having flexible provisions, but of fostering a workplace culture in which employees feel comfortable using them.

For example, one study has shown that individuals who perceived their jobs to be insecure have a higher probability of leaving employment once they take up informal caring. Interestingly, in this study some permanent employees also rated their jobs as insecure and their short-term prospects for remaining in their current job (upon taking on caring responsibilities) as low.⁹

Becoming a carer-friendly workplace makes business sense

In 2009 UK employers large and small came together in recognition of the importance of providing carer-friendly workplaces. With the support of Carers UK, they established the Employers for Carers forum.

"We have come together as employers who believe that supporting carers is good business. By working smarter, and offering real opportunities for people to transform the way they work, our members have seen how they can reduce costs and improve productivity as well as help to retain their most skilled staff at a time they can least afford to lose them.

"Accommodating carers isn't difficult, disruptive or expensive, it's just plain business sense – a small change in working hours or flexible arrangements can make all the difference both to the workforce and to the business."

Caroline Waters OBE, Director, People and Policy for BT Group, UK¹⁰

All employees have their own work/life equation which will fluctuate and change at different stages of their working life. Employers who create a work environment in which individuals can successfully negotiate this balance will reap the rewards. Providing greater awareness of and support for carers to enable them to combine work and care is therefore not just about 'doing the right thing' for carers, it also has positive flow-on effects for employers.

5 Australian Bureau of Statistics 2009, Survey of Disability, Ageing and Carers

6 Australian Bureau of Statistics 2009, Survey of Disability, Ageing and Carers

7 Fair Work Amendment Act 2013, Part 3 and Part 4, pp.8–10 viewed at <http://www.comlaw.gov.au/Details/C2013A00073>

8 Hill, T Thomson, C Bittman, M & Griffiths, M 2008, *What kinds of jobs help carers combine care and employment?* Australian Institute of Family Studies, Family Matters No.80, p.28

9 Hill, T Thomson, C Bittman, M & Griffiths, M 2008, *What kinds of jobs help carers combine care and employment?* Australian Institute of Family Studies, Family Matters No.80, p.30

10 Employers for Carers 2012, *The business case for supporting working carers*, p.4



The benefits

In a 2012 survey of 223 UK employers¹¹, the majority considered that supporting carers in their workforce had either a major or some benefit to their ability to;

- > Attract and retain staff
- > Improve staff morale
- > Improve staff engagement
- > Reduce recruitment and training costs
- > Produce cost savings
- > Reduce sick leave and absenteeism
- > Increase productivity and improve service delivery

While the UK research is carer specific, surveys in Australia have looked into workplace flexibility more generally, however the findings have been comparable. The 2013/14 Randstad World of Work research which gathers the perspectives of over 14,000 employers and professionals across the Asia Pacific region has found that, in Australia, over 40 per cent of employers believe the biggest benefit of adopting flexible work practices is improving employee engagement and satisfaction. A further 27 per cent of Australian employers identified the main benefit as the attraction and retention of top talent.¹²

However, despite this acknowledgement of the benefits of flexible working, Australia is lagging behind its neighbours with one type of flexible provision; teleworking. Australia has the fewest employees with remote working options in the Asia Pacific region – only 21 per cent – compared to China (41 per cent) and Malaysia and New Zealand (both 36 per cent).¹³

11 Carers UK and Employers for Carers Task and Finish Group 2013, *Employers 'Business Benefits' Survey*, p.1

12 Randstad 2014, *World of Work Report: the talent strategy game-changer series*, pp.16–17
<http://www.randstad.cn/FileLoad/Attachment/20140224141137324.pdf>

13 Randstad 2014, *World of Work Report: the talent strategy game-changer series*, pp.20–21
<http://www.randstad.cn/FileLoad/Attachment/20140224141137324.pdf>

Reducing the costs of employee turnover

“(In a caring emergency) you are not dealing with an absence, you are potentially dealing with a vacancy, if you don’t respond appropriately. The cost of recruiting is incomparable to the cost of 2–3 days’ emergency leave.”

Policy Development Manager, HR utility company

Yeandle, S Bennett, C Buckner, L Shipton, L Suokas, A *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, 2006, p.14

The financial impact of staff turnover is estimated to be around 15 to 33 per cent of the annual salary of an employee, due to the costs of recruitment, training and the loss of productivity in the lead up to an employee leaving, and before a new staff member is up to speed.¹⁴

The more experienced a staff member, the higher the costs to replace them if they leave. With the majority of carers between the peak working ages of 45–64¹⁵, failing to hold onto these experienced workers represents a significant loss of investment to the employer of resources, time and knowledge.

Many carers also move to lower positions in order to secure the flexible working arrangements they require to combine work and care. This too represents a loss of “talent and skills for the labour market as a whole, and is a waste of both public and private investment in education and development”.¹⁶ Carers are more likely to stay with a single employer if their needs for flexibility are met. Implementing carer-friendly provisions is therefore a crucial investment in employee retention.

Organisations find that the financial savings achieved through improved retention rates often off-set the costs of leave entitlements,¹⁷ and even smaller employers have benefited implementing flexible workplace provisions for carers;

CASE STUDY

Listawood is a manufacturer with a workforce of around 150 people. Staff turnover at the company is remarkably low – only a fraction of a per cent per annum. Listawood argue that their culture of flexibility and support of those needing to balance their home and work lives, often at short notice, is a significant driver of staff retention.¹⁸

14 Access Economics 2010, *Impacts of Teleworking under the NBN*, p.15

15 Australian Institute of Health and Welfare 2013, *Australia's Welfare*, p.328

16 Australian Human Rights and Equal Opportunity Commission 2007, *It's About Time: Women, men, work and family*, p.177

17 Yeandle, S Bennett, C Buckner, L Shipton, L Suokas, A 2006, *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, p.14

18 Employers for Carers 2012, *The business case for supporting working carers*, p.3

Productivity benefits

Implementing flexible work practices should be seen as integral to the efforts of businesses to improve their productivity, for such initiatives can help to focus an organisation and its employees more clearly on outputs and outcomes rather than inputs, and on goals rather than processes¹⁹.

CASE STUDY

BT Group is a British multinational telecommunications services company. Of its 102,000 employees, 75,000 work flexibly. The company found that the average increase in productivity for these workers was 21 per cent, worth at least £5–6 million. Annual staff turnover was also below 4 per cent (where the sector average is 17 per cent) and sickness absence among home workers averages below 3 days per annum. BT also found that stress related absence reduced by 26 per cent through flexible working alone.²⁰

The development of human resource practices has clearly demonstrated the maxim that ‘happy employees are productive employees’. Indeed modern day employers have learnt that in order to get the most out of their workforce they must invest in services and supports for employees and foster a positive environment which improves the workplace experience and assists employees to find the right balance between their work and personal life.

Similarly, many of the benefits to businesses of implementing carer-friendly policies revolve around the positive relationship it builds between employees and employers. In the words of one carer: “I personally go that extra mile for them, because I appreciate what they’re doing for me” (Donna, utility company, caring for elderly parents²¹)



19 Australian Institute of Management 2012, *Managing in a flexible work environment*, White Paper, p.19

20 Employers for Carers 2012, *The business case for supporting working carers*, p.4

21 Yeandle, S Bennett, C Buckner, L Shipton, L Suokas, A 2006, *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, p.36

Attracting quality workers

Implementing flexible working arrangements has been found not only to benefit existing employees, but also acts as an incentive for job-seekers to choose that employer. This can be particularly important in tight labour markets, and for employers who are unable to compete with other businesses through higher wages. Flexibility is also seen as crucial to help businesses deliver services more efficiently and competitively, with some organisations linking the 'managing diversity' and 'flexible working' agendas together.²²

By virtue of the nature and demands of their caring role, carers are often highly organised and committed employees who value supportive employers and are dedicated and loyal in return. Furthermore, for those who are able to combine their caring responsibilities with paid work, coming into the workplace can provide a break from the caring role at home. With many carers unable to leave the person they care for without alternative care provisions in place, being a carer can be an extremely socially isolating experience. Being at work provides an opportunity for carers to engage with others, to focus on tasks other than caring, and to have an identity outside of being a carer.

The experiences from employers who have implemented carer-friendly provisions also suggests that organisations need not be concerned that employees will take unfair advantage of flexible provisions and that when they are at work they are motivated and hard working²³.

New technology makes flexibility easier

With advances in communications technologies, flexible work options such as 'tele-working' are likely to become increasingly common, particularly as the National Broadband Network (NBN) is rolled out. Economic modelling undertaken by Deloitte Access Economics estimates that NBN-enabled telework may create an additional 25,000 jobs (in full-time equivalent terms) by 2020–21²⁴. This research also found that 61 per cent of people not in the labour force who had caring or family responsibilities indicated that they would take up an employment opportunity with their most recent employer if telework was available,²⁵ illustrating that there is likely to be more demand for these flexible options in the future.

CASE STUDY

Centrica/British Gas has been a leader in innovative family friendly and flexible working practices, establishing a carers' network in 2004. In 2009 over 60 per cent of its 29,000 UK based employees had some form of flexible working arrangements in place, with 8,500 engineers all home workers using laptop and wireless technology to deliver service to customers. It reported quantified business benefits from its innovative flexible working programme, 'work:wise', with a property saving of £10 million a year. In 2013, British Gas gained a top national award for its support for carers in the 'best for carers and eldercare' category at the 2013 Working Families Awards.

Source: *Employers for Carers, 2012, The business case for supporting working carers, p.3*

22 Yeandle, S Bennett, C Buckner, L Shipton, L Suokas, A 2006, *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, p.18

23 Yeandle, S Bennett, C Buckner, L Shipton, L Suokas, A 2006, *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, p.14

24 Deloitte Access Economics 2012, *Creating jobs through NBN-enabled telework*, Report commissioned by the Australian Government Department of Broadband, Communications and the Digital Economy, p.i

25 Deloitte Access Economics 2012, *Creating jobs through NBN-enabled telework*, Report commissioned by the Australian Government Department of Broadband, Communications and the Digital Economy, p.51

How to become a carer-friendly workplace

Employers need to know if there are carers in their workforce and understand both their needs and their value. Raising employee awareness about carers is therefore also crucial to enable employees to self-identify as a carer, and to encourage them to disclose their caring role. Demonstrating sensitivity to issues of confidentiality is also important. Staff surveys may allow employees to provide information anonymously if they wish. Managers also need to be trained and supported to respond to requests for flexibility.

Becoming a 'carer-friendly' workplace can take on many forms depending on the size of the employer and the nature of the workplace. Flexible leave arrangements may include compassionate or carers' leave for emergency or planned caring, or allowing carers to take a combination of paid and unpaid leave in order to fulfil caring responsibilities. Flexible working arrangements may involve flexi-time, teleworking, job sharing or compressed or annualised working hours. Supporting carers in the workplace may also involve setting up a carers' network, or simply distributing information about how to find carer-supports available outside of the organisation. (A list of flexible leave and working arrangements implemented by organisations in Australia and the UK are attached at Appendix 1).

CASE STUDY

The UK Metropolitan Police – To help staff identify themselves as carers and to make them aware that the Met was starting work on carer issues, they circulated a leaflet with payslips and published an article in the Met's internal newsletter. A questionnaire was subsequently sent out about caring with the next set of payslips, with responses going to Carers UK so that employees knew their confidentiality was guaranteed. A report was produced by Carers UK from all the information gathered, which told the Met what the needs of their carers were. On the basis of this, the Met developed a carers' policy. The policy was publicly launched, with information and advice for referral to Carers UK posted on the Met intranet.

Source: Eurocarers, European Association Working for Carers, *We Care – Do you? Balancing Work and Care – An Employer's Guide*, p.8

CONCLUSION

As more and more Australians take on caring responsibilities it will become increasingly necessary for employers to become carer-friendly workplaces. However, there are also many benefits to be gained from successfully implementing such policies.

'Carer-friendly' workplaces make business sense. They help attract a broader range of potential employees, improve retention of staff, produce clear productivity gains, improve customer satisfaction and help to develop a trust-based relationship between management and employees which is "worth its weight in gold"²⁶. Increasing the numbers of employees who are able to combine work and care therefore requires employers to be aware of how many carers are in their workforce, to understand and meet their need for flexibility, and to promote an organisational culture in which carers are encouraged and supported. Workplaces which can achieve this will not just realise benefits for all their employees, but will also see savings to their own bottom line and greater productivity.

26 Yeandle, S Bennett, C Buckner, I Shipton, I Suokas, A 2006, *Who Cares Wins: The Social and Business Benefits of Supporting Working Carers*, A Report for Carers UK, p.25

APPENDIX 1

A list of flexible leave and working arrangements implemented by organisations in Australia and the UK are listed below.

Examples of leave arrangements

Policy/arrangement	Example of Care Situations
<p>Carers' Emergency Leave</p> <p>For unforeseeable emergency incidents involving a dependent, when leave is needed for a short period of time. If more time needed, then absence usually becomes planned leave.</p>	<ul style="list-style-type: none"> > To make longer term arrangements for a dependant's care. > To cover when existing arrangements break down. > To deal with an unexpected incident involving a dependent child at school.
<p>Carers' Planned Leave</p> <p>Leave needed for a foreseeable event lasting for a defined period. If more time is needed, absence usually becomes a career break, or a review of working pattern/hours can be undertaken.</p>	<ul style="list-style-type: none"> > Providing nursing care following hospital discharge. > Assisting a dependant to move accommodation. > Attending benefit/legal hearings with a dependant. > Attending hospital appointments with a dependant.
<p>Career Break or Sabbatical</p>	<p>Used when a carer has to take a longer period out of the workplace, but wishes to return to their former job. Not necessarily exclusive for carers. Minimum period usually 3 months – 2 years.</p>
<p>Unpaid Leave</p>	<p>Usually used when all other paid leave options are exhausted. Not necessarily exclusively for carers.</p>
<p>Salary Sacrifice</p>	<p>To build up a bank of leave to be used for caring.</p>
<p>Matched Leave</p>	<p>An additional period of leave offered by an employer to 'match' annual leave an employee has to take to provide care – often used to cover a period following hospital discharge.</p>
<p>Compassionate Leave</p>	<p>Used mostly following bereavement.</p>
<p>Employer-covered cost of dependent care</p>	<p>To enable a carer to attend training, or perform work duties requested by the organisation – at a time when they would normally have caring responsibilities.</p>

Examples of flexible working arrangements

Policy/arrangement	Description
Flexi-time	Flexible starting and finishing times – adjusting the working day to begin and end earlier or later.
Home-working or Tele-working	Working in the home environment or other than in the normal workplace, often through the use of technology.
Annualised working hours	Completed contracted hours, but making adjustments to allow for shorter or longer days or weeks across the period of a year.
Job rotation	Moving from one job to another for a specific period to reduce work commitments during a period of care.
Term-time working	Working contracted hours but within school term times.
Self rostering	Team voluntarily agree shift patterns for managers to approve.
Job sharing	Two or more people fulfilling the requirements of a single post. Option of having a job share register within a company.
Split shifts	For example, arranged with a period of time in the middle of the day or afternoon.
Compressed working hours	Completing contracted hours in a shorter period than normal. For example, a 9 day fortnight.
Flexible Combination	Ability to pick and choose, e.g. increasing/decreasing annual or unpaid leave for a particular working pattern.
'Day extender'	Working predominantly in the office but also carrying out additional work at home in the evening.
Phased retirement	Reducing hours progressively over a certain period rather than ceasing work completely. Often involves a cross-over period where the retiring employee helps to train their replacement.

