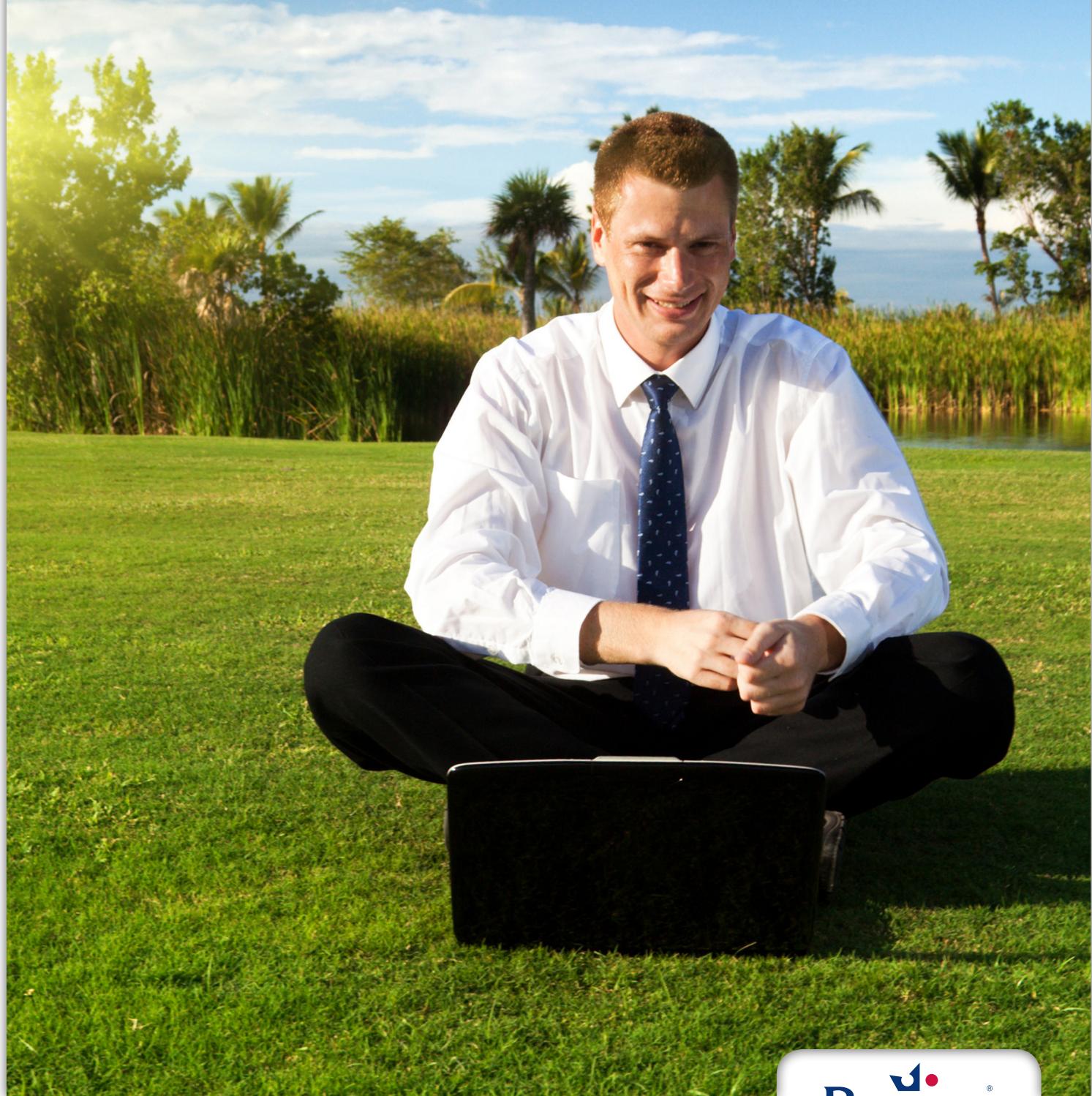


Boomers struggle to find their balance

Work:life balance improvement slows, but Generations X and Y know how to get it right



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Management summary

Members of Generations X and Y are more likely than Baby Boomers to feel their work:life balance has improved in the past year. While Boomers are struggling with health issues and the needs of ageing parents, the younger generations believe they are achieving more at work, finds the latest Regus Work:life Balance Index, which assesses how individuals are balancing the various elements in their professional and home lives.

The second iteration of the Index, which this year surveyed more than 26,000 professionals in more than 90 countries, shows that the rate of improvement has slowed marginally over the past year. A proportion of workers around the world continue to suffer additional workloads taken on as a result of workforce cuts in the downturn and are spending less time at home or with their families as a consequence. It is still the case that fewer than half of respondents are seeing continued and consistent improvement in businesses helping workers cut the often gruelling commutes that are detrimental to the enjoyment of work.

However, there are encouraging signs. The myth of the workaholic business owner has been shattered as the people running organisations are found to have a much better work:life balance than employees. This finding endorses the long-held view that stress – a key element in measuring work:life balance and enjoyment of work – is associated less with hard work than with lack of control. Increasingly, business owners are seeing the benefits of ensuring their employees share this sense of control through the adoption of more flexible working practices, leading to higher productivity and talent retention.

In view of the continuing difficult economic environment, it is understandable that the work:life balance rate of improvement has slowed. But organisations need to maintain momentum because research shows that work:life balance is closely connected with business success. One way that businesses can make strides in the right direction is through a greater commitment to flexible working. This is a win-win to help improve workers' quality of life through reducing stress and related illnesses, while benefiting the business through reductions in fixed office space and improvements in productivity and retention.

Key findings and statistics

- The Regus Work:life Balance Index reveals that the work:life balance rate of improvement has slowed marginally since last year.
- The overall Work:life Balance Index has fallen slightly to 120 compared to May 2012 when it was 124.
- Some indicators that point to the slowdown in improvement stem from the fact that global workers are still experiencing the same additional workload taken on during the downturn and not yet shared out among new staff. Two fifths (42%) spend less time at home/with family than they used to because of work.
- Just under half of respondents think that businesses are making continued progress to cut gruelling commutes (49%).
- But businesses need to keep up momentum given that work:life balance is intimately connected to productivity and talent retention.¹
- Generations X & Y (123) are more likely to feel that work:life balance has improved in the last year than jaded Baby Boomers (117), who are struggling with their own deteriorating health and the needs of ageing parents.²
- Generations X & Y are also more likely to feel they achieve more at work (81%) than Baby Boomers (69%).
- Surprisingly, the workaholic business owner myth is debunked as the Index reveals that business owners have a higher index value (124) than employees (115).
- Business owners are also likely to enjoy work more than last year (74%), compared with employees (66%).

- As they see market conditions improve and feel they have made it through the worst part of the downturn, it is understandable that business owners should be feeling more positive about work. This positivity, however, has not yet filtered through to employees in the same way and business owners need to urgently address the issue.
- Flexible working is a way of improving work:life balance, which, according to 72% of workers, increases productivity,³ so it's a win-win solution for businesses and can improve the quality of life of workers, help reduce stress and stress-related illness, save money on fixed office space, improve retention and increase productivity.

¹ Mercer, Attraction and Retention Survey, 2012

² My PA, Baby Boomers Striving For Work-Life Balance, 30th January 2012; HR Hero, Boomers (and their employers) face work/life challenges, 17th April 2012; American Institute of CPAs, What Is This Work/Life Balance Everyone Keeps Talking About?, 18th July 2011

³ Regus, Flexibility drives productivity, 2011

Introduction

It is one of the features of the current business environment that, while millions of people around the world are seeking ‘quality jobs’, millions of others have more work than they might want. Across the countries that are members of the OECD (Organisation for Economic Co-operation and Development), 12 per cent of men work ‘very long hours’ (i.e. more than 50 hours a week on average). Women fare better – fewer than 5 per cent work very long hours.⁴

But that shortfall is made up by extensive amounts of unpaid domestic work because the average woman in an OECD country spends an average of 279 minutes a day on cooking, cleaning or caring, compared with just 131 minutes for her male counterpart.⁵ Work:life balance is often viewed as an issue that only affects ‘high-fliers’ trying to ‘have it all’. But it is clearly much more widespread. For instance, reports suggest that 18 per cent of European workers think that they have a poor work:life balance.⁶

The extent of long hours varies considerably between OECD countries, with a few surprises. The UK and the USA are close to the overall average, with 11.7 per cent and 10.9 per cent of the workforce respectively working very long hours.⁷ In Germany, the figure is 5.1 per cent, little more than the 4.5 per cent recorded in Belgium and rather less than the 8.6 per cent seen in France.⁸

A recent report in Australia has found that full-time working women’s dissatisfaction with their work:life balance had almost doubled from 15.9 per cent to 27.5 per cent between 2008 and 2012, while men’s had hardly changed.⁹ Mexico and Brazil are other countries with a high proportion – 28.9 per cent and 12.5 per cent respectively – of the workforce working long hours.¹⁰ In 2012 the Brazilian government introduced a new law to make answering emails after hours count as overtime.¹¹

Canada, which, according to the OECD, has 3.9 per cent of workers working very long hours, would therefore appear to be in a much better position than its southern neighbour, the USA.¹² This improvement is reflected in the Work:life Balance Index, which saw the largest score increase in Canada.

Meanwhile, as many western countries are struggling to maintain the progress made in this area in the face of extreme economic pressures, many Asian nations are changing their approach. Japan has long been noted for the devotion of its workers and this is confirmed by the OECD finding of 29.5 per cent of the workforce working very long hours.¹³ However, companies such as Toyota and Nissan have begun initiatives to limit overtime, introduce telecommuting and enforce breaks.¹⁴ Eighty-two per cent of respondents in other Asian countries, including China, Hong Kong, India and Korea, said their companies needed to do more to help them balance their work and life demands.¹⁵

Technology can help by aiding flexibility. But it is important not to see it as the complete answer. A survey by Virgin Media Business found that 54 per cent of the UK’s mobile workers thought that blanket connectivity would shorten their working day significantly but didn’t think it would improve their work:life balance.¹⁶ Only 10 per cent thought that working fewer hours would improve how they separated work and private lives.

⁴ OECD Better Life Index 2012: Work Life Balance

⁵ ibid.

⁶ The European Foundation for the Improvement of Living and Working Conditions: Fifth European Working Conditions Survey, 2010

⁷ OECD Better Life Index 2012: Work Life Balance in detail by country

⁸ ibid.

⁹ The University of South Australia, Balance Still a Big Squeeze for Aussie Workers, 24th September 2012

¹⁰ OECD Better Life Index 2012: Work Life Balance in detail by country

¹¹ The Huffington Post, Brazil’s Email Overtime: New Law Counts Checking Smartphones After Hours As Work, 1st December 2012

¹² OECD Better Life Index 2012: Work Life Balance in detail by country

¹³ ibid.

¹⁴ Business Destinations, The threat of Karoshi, 27th April 2012

¹⁵ Wall Street Journal Blogs, Work Life balance a challenge for both genders in Asia, 17th May 2012

¹⁶ Virgin Media Business, All work and no play doesn’t keep the stress away, 13th September 2012

Nevertheless, there is evidence that many professionals feel that some balance can be achieved. A report by management consultancy Accenture published in early 2013 found that more than two-thirds of respondents felt they could have it all.¹⁷ However, half felt they could not have it all the time, with 52 per cent globally saying they had turned down jobs due to concerns about the impact on their work:life balance. In South Africa the proportion turning down jobs was 67 per cent.¹⁸

As the European Foundation for the Improvement of Living and Working Conditions says: "Win-win arrangements should be promoted. Working conditions likely to be associated with higher well-being of workers are also associated with high motivation, commitment, and sustainable work."¹⁹ It adds: "Current employment policy priorities to raise employment levels, prolong working life, increase the participation of women, and increase flexibility and productivity depend for their success not just on changes in the external labour market but also on the successful management of life at work and at home, by all parties concerned, as well as on appropriate social support."

The index

In order to provide business leaders and policy makers with an up-to-the-minute barometer of worker and manager satisfaction with their work:life balance and measure real improvement, the Regus Work:life Balance Index analysed the opinions of more than 26,000 business managers and business owners from over 90 countries. In addition to enquiring about whether they felt that improvements had been made to their work:life balance in the past year, the report analysed their views on factors and behaviours that typically affect work:life harmony. These included satisfaction with the amount of time spent at home or with their families, working hours, time spent at work, job enjoyment and sense of achievement and whether additional duties taken on during the downturn had finally been reassigned to new members of staff.

The Regus Work:life Balance Index 2013

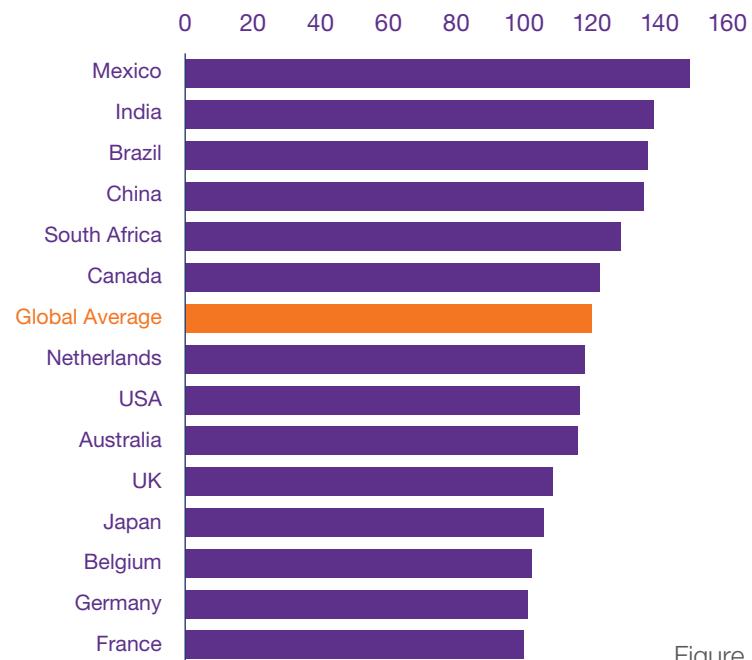


Figure 1

Shifting balance

After signalling a rise over the two years since 2010, the Regus Work:life Balance Index rate of improvement has slowed slightly in the past year. This might seem surprising in view of the fact that it is now half a decade since the financial crisis and some countries are starting to see something of a recovery. However, these are still very challenging times for many businesses and, as a result, many employees will still be feeling under a lot of pressure and, rather than believing that balance is returning to their lives, think their time at work is as stressful as ever. A possible explanation why the UK and Germany continue to languish towards the bottom of the rankings comes in a 2011 report by Avaya, which found that 81 per cent of UK and German SME decision makers blamed demanding work commitments for struggles in their private lives.²⁰ Eighty-nine per cent reported that they had suffered from stress or ill health, while 37 per cent said that their relationships had experienced strife, or they had been separated or divorced. Thirty-five per cent had had to miss holidays due to work commitments.

¹⁷ Accenture: Defining Success 2013 Global Research Results, 8th March 2013

¹⁸ Business Day, Employees 'prefer work, life balance to more pay', 5th March 2013

¹⁹ Eurofound, Fifth European Working Conditions Survey, 2012

²⁰ RealWire, The Trouble and Strife of Working Life: Avaya research reveals the hidden dangers of overworking, 30th August 2011

²¹ Wall Street Journal Blogs, Work Life balance a challenge for both genders in Asia, 17th May 2012

²² Financial Times, China's young warm to the west's work:life balance, 6th March 2012

By contrast, the BRICS countries continue to lead the field, as Figure 1 indicates, even though they all saw their individual index scores slip to some extent. Some of this continued strength could be down to culture since family life plays such a large role in many of these countries. A quarter of respondents to a pan-Asian survey said their focus was split between work and life, with 15 per cent saying it was the family.²¹ Indian respondents showed the greatest support for the balanced approach. Even in China, where striving has been a way of life since the country began to open up its economy, there has reportedly begun to be a move away from such workaholic ways towards a more balanced approach.²²

As Figure 2 shows, Australia, as a result of a significant slip in its score, has fallen below average. Although surprising for those who think of Australians as laid-back citizens enjoying an enviable outdoor life, this development is hardly at odds with surveys. A recent report found that a third of both men and women felt they had more work than one person could do, while the proportion of full-time working women claiming to be dissatisfied with their work:life balance nearly doubled between 2008 and 2012.²³ Interestingly, it has been replaced by Canada, which saw a strong improvement last year.

The size of Australia's fall was matched by China, which nevertheless managed to retain its position towards the top of the table of countries analysed – like Brazil, which dropped from second place last year to third this year on the back of a 14-point reduction in its score. It is possible that these countries could be suffering from rising expectations as their economies – and hence the aspirations of their workforces – develop.

The Regus Work:life Balance Index 2012-2013

	2013 Index	2012 Index	Difference
Australia	116	129	-13
Belgium	103	104	-1
Brazil	137	151	-14
Canada	122	113	9
China	136	149	-13
France	100	109	-9
Germany	101	95	6
Global Average	120	124	-4
India	138	139	-1
Japan	106	105	1
Mexico	149	153	-4
Netherlands	118	120	-2
South Africa	129	135	-6
UK	109	104	5
USA	117	123	-6

Figure 2

A somewhat smaller drop in its individual score was enough to send France to the bottom of the table of countries analysed in place of its old rival, Germany. This, again, might seem surprising, but France is undergoing a lot of change at the moment and it is possible that French workers are coming to terms with the new world order. French workers work marginally longer hours than those in Germany and the UK and – while they receive extensive holidays – often work in situations of high stress and in constant fear of losing their jobs.²⁴

21 Wall Street Journal Blogs, Work Life balance a challenge for both genders in Asia, 17th May 2012

22 Financial Times, China's young warm to the west's work:life balance, 6th March 2012

23 The University of South Australia, Work:life Balance Still a Big Squeeze for Aussie Workers, 24th September 2012

24 The Guardian, French Stereotypes: They do not work that hard, 25th March 2011

Battle of the generations

This year's Index also considers the differing attitudes of members of two distinct workplace groups – the Baby Boomers (those born between 1945 and 1964) and Generations X (born 1965-80) and Y (born after 1980).

Overall, as Figure 3 shows, Generations X & Y enjoyed a better Work:life Balance Index score (123) than the Baby Boomers (117). However, there were some national variations. Notably, with the exception of Mexico, Baby Boomers outscored the younger generations in the top four ranked countries analysed; the only other nations where this was the case were Germany and Belgium.

Evidence suggests that Baby Boomers are falling behind in the work:life balance area because of the various conflicts in their own lives. Traditionally, they have strongly identified themselves with their work and – in many cases – with their place of work.²⁵ As a result, they have worked hard and set standards for others to follow without thinking too much of the sacrifices they have made. Increasingly, though, they are finding that – just as they are starting to see their own health deteriorate – they are having to care for ageing relatives at the same time as continuing to look after children who may need more support for longer than earlier generations because the economic situation is making it harder for them to establish their own careers.²⁶ Because of their own high standards,²⁷ they know that they are not giving as much attention to work as they should – especially since many will be senior executives on account of their experience – and, as a result, they are feeling under stress.

Enabling such workers to remain working – as many will wish to because of their commitment to their work – while also enabling them to deal with the other responsibilities they face, is a tough challenge, so it is not surprising that many businesses are finding it hard.

The dilemma confronting the Baby Boomers, who are seen as so fortunate in many respects by subsequent generations, is also illustrated by Figure 4.

Work:life Balance Index for Generations X and Y and Baby Boomers

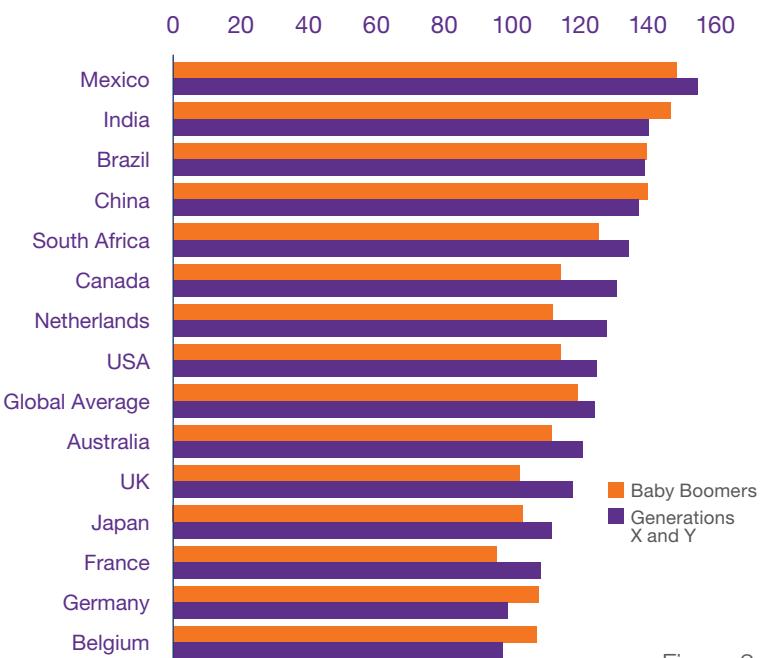


Figure 3

Generations X and Y and Baby Boomers: who feels they achieve more at work?

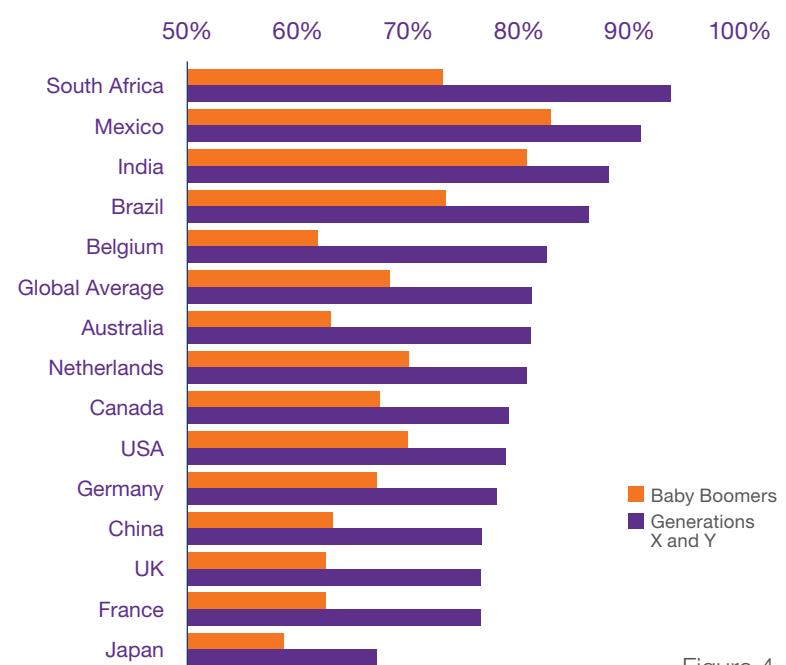


Figure 4

²⁵ My PA Baby Boomers Striving For Work-Life Balance, 30th January 2012; HR Hero, Boomers (and their employers) face work/life challenges, 17th April 2012; American Institute of CPAs, What Is This Work/Life Balance Everyone Keeps Talking About?, 18th July 2011

²⁶ The Sandwich Generation, Kathy Quan

²⁷ Reducing Employee Stress – Practice Consideration-Oriented Leadership and Let Them, Debra Lopez, Ph.D.; Mark T. Green, Ph.D., Meghan Carmody-Bubb, Ph.D.; Diana Garza-Ortiz, Ph.D.; Our Lady of the Lake University, Leadership Review Vol. 11 Spring 2011

Traditionally, Baby Boomers would have been proud of working hard and of being effective and productive employees. Now, they have their doubts. And the young Generations X and Y – who have many fewer responsibilities and less loyalty to their employers – are claiming to be able to achieve more at work, perhaps also because they have been more ready to take up and demand flexible working options.

Bosses tip the scales

Business owners are feeling the glow of having weathered the downturn and are feeling more positive than employees (Figures 5 and 6). As recent Regus research highlighted, they are expecting growth and translating their bullishness into intentions to hire.²⁸ Only in Belgium do business owners fare worse than non-owners when it comes to work:life balance and enjoying their work. This appears to debunk the myth that businesses owners are workaholics incapable of enjoying themselves. But it could also be an illustration of the long-held view that stress - a key element in measuring work:life balance and enjoyment of work - is associated less with hard work than with lack of control. In other words, an employee who is unable to make changes to their working habits is likely to be more stressed than a business owner who can decide when and where to work, while enjoying the thrill of running an enterprise with all the risks and rewards involved.

A further explanation could be that business owners are relieved to have survived the years since the financial crisis and perhaps are starting to enjoy the challenge of finding new ways of developing their businesses. In short, their view of the future may be less gloomy than that of their employees.

Work:life Balance Index for business owners and non-owners

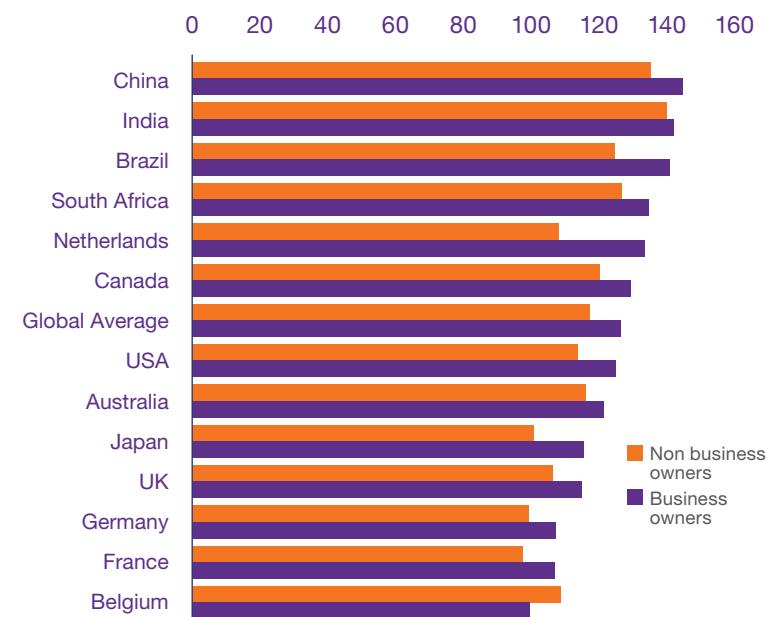


Figure 5

Business owners and non-owners: who enjoys work more?

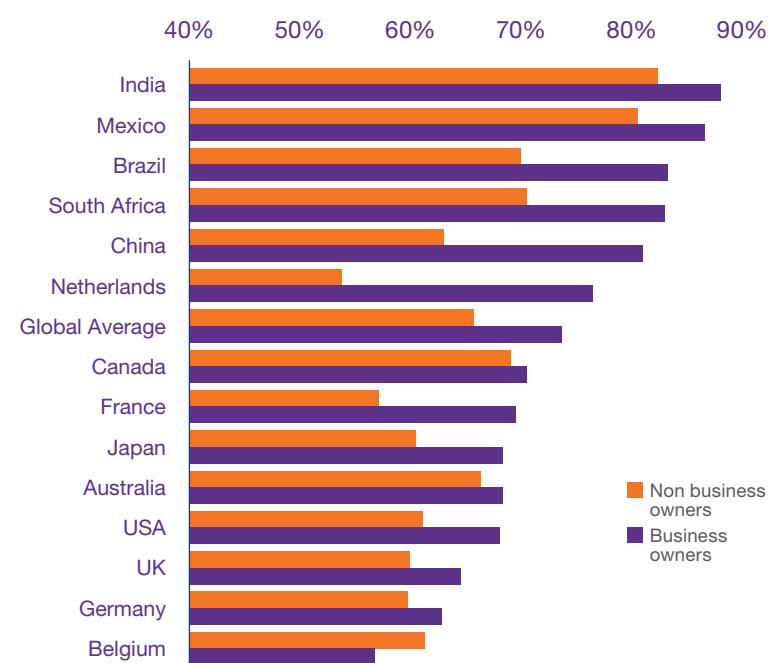


Figure 6

Upsetting the balance

Workers in general report being worn down by having to do more work as a result of staff cutbacks in the downturn. Although the numbers reporting this (see Figure 7) are on the whole slightly lower than last year, they are still significant enough to have an effect on employees' sense of wellbeing. Indeed, in some countries – notably Japan and France – workers are feeling even more frustrated.

The extent to which workers are feeling overstretched is even more graphically illustrated by Figure 8. Employees throughout the world – but particularly in Japan and Australia – say they are spending more time away from home on work-related matters. This would inevitably lead to a conflict with family life, especially for those with responsibilities beyond the immediate family unit.

Commuting, particularly in big cities, is one of the biggest factors in work:life balance. It is often the activity workers most look forward to not having to do when they retire or work from home. It is tiring even when everything runs smoothly; when it doesn't – as is often the case with creaking transport systems – it can lead to stress and, of course, a great loss of productivity. Trying to reduce time spent commuting is one of the key drivers for organisations introducing flexible working.

I have taken on additional duties during the slowdown, which have not been picked up by a new employee

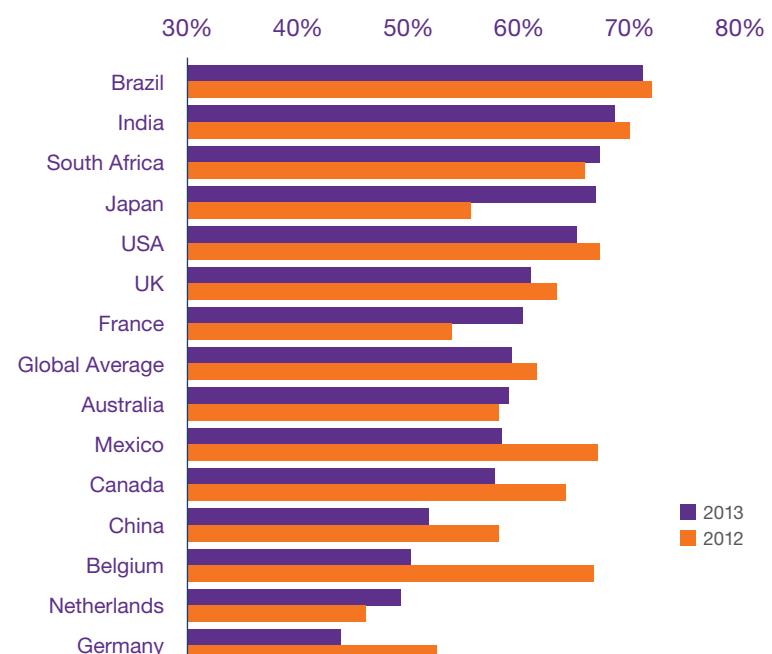


Figure 7

I spend more time away from home



Figure 8

And yet a little under half of respondents believe that there is continued and consistent improvement in this area. With all attention focused on survival, many companies will claim that they cannot apply the energy to it; others will argue that it is not practical for them. However, the lack of progress is clearly frustrating to many employees and this is an important measure that business owners could introduce to help employees improve their work:life balance too. With congestion in major cities – and not just in western countries – becoming worse rather than better, the issue is likely to grow in importance and will need to be addressed by organisations looking to retain and motivate their best employees.

The scale of the problem confronting businesses and individuals alike is illustrated by Figure 10. The Work:life Balance Index has only risen in the past year in large companies. The reversal from last year, when the Index was significantly higher in small companies than in larger counterparts, is perhaps a sign that only the larger businesses have the resilience to deal with an issue so important to employees at the same time as handling the many other crises and challenges caused by the prolonged tough economic environment.

I feel companies are doing more to help reduce commuting

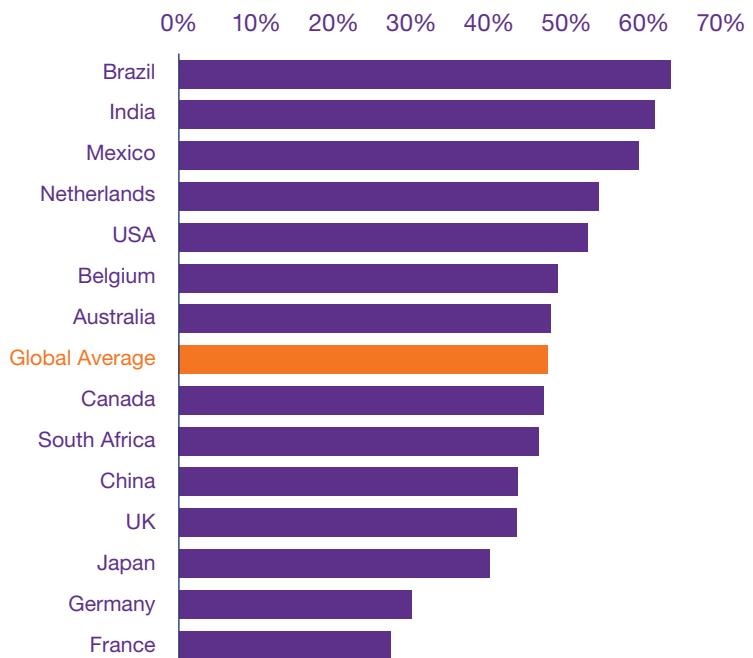


Figure 9

Work:life Balance Index 2012-2013 by Company Size

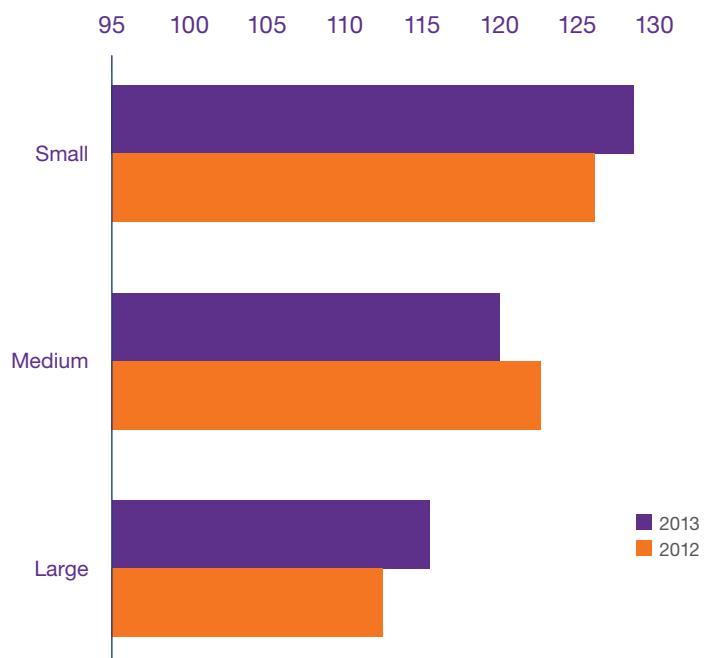


Figure 10

Conclusion

There is no doubt that these are challenging times. Businesses the world over – and not just in the highly industrialised western countries that bore the brunt of the financial crisis – are struggling to build sustainable growth and profitability. So it is natural that they should focus on ensuring their survival and looking for opportunities to help secure their futures.



But they only stand a chance of achieving this if they have the very best people. Repeated research has shown that in all sorts of industries it is people who make the difference between success and failure. Despite the tough circumstances, employees – younger ones, in particular – do not feel they have to remain loyal to an employer. They will go wherever they think will further their careers and increasingly wherever will enable them to work in the way that they want, allowing them to juggle their various interests and responsibilities. The financial crisis may have changed perceptions of employment a little, but – to the surprise of many – it has not changed all that much. Well-qualified people still think they can make demands of their employers.

Increasingly, those demands are about flexibility. Workers want the flexibility to work when they want and how they want. Rather than compromising, they want to have it all. Some businesses will see this as a threat. But by being flexible themselves, smart employers will be able to attract the best workers and see them become even better through being happier and better motivated. What is more, by moving away from the idea that they need to have their staff working in the same ways and same places, they will see productivity gains and also be able to cut their fixed costs. It is a situation in which everybody wins – except those who insist on resisting flexibility.

Country highlights

Australia

Australia has seen a sharp fall in its Work:life Balance Index score – equal second largest – taking it back below the global average after a marked improvement in 2012.

Belgium

Belgium's business owners are among the lowest of the Work:life Balance Index with 103 points.

Brazil

Brazilian workers – like last year – were the most likely to claim they were overworked. More than 70% said they had picked up additional duties in the slowdown that had not yet been taken on by new employees.

Canada

Canadian workers saw the biggest rise in their Work:life Balance Index score; the country's 122 taking it just above the global average.

China

Among countries analysed, 81% of Chinese business owners felt they achieved more at work than last year.

France

French workers claim the worst Work:life Balance, with an Index score of just 100, down nine points on a year ago.

Germany

German workers' improvement rate grew on last year. The country's Work:life Balance Index score of 101 was six points higher than last year's and enough to nudge it above France.

India

Indian business owners were the most likely to report that they were enjoying work more than last year (88%).

Japan

Japanese workers have moved ahead of their Chinese counterparts in claiming they spend more time away from home.

Mexico

Among countries analysed, Mexico topped the Work:life Balance Index for the second year running, with 149 points.

The Netherlands

The Netherlands is the top European country analysed in terms of workers feeling companies are making continued and consistent improvement to help reduce commuting.

South Africa

Fully 94% of South Africa's Generations X and Y claim they are achieving more at work.

UK

The UK was one of only four countries to see a rise in the Work:life Balance Index, but is still below the global average.

USA

Despite a sharp drop in its Work:life Balance Index score this year, the USA is still close to the global average.

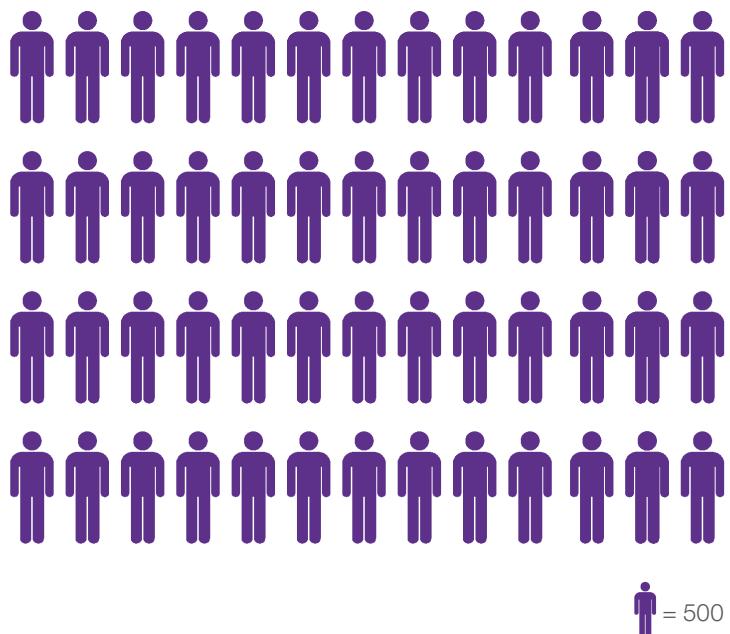
Methodology

Over 26,000 business respondents from over 90 countries were interviewed during January 2013.

The Regus Work:life Balance Index calibrates a number of different factors to produce an index value that reflects overall levels of personal-work life harmony.

Not only are opinions about enjoyment and sense of achievement measured, but actual working behaviours are also taken into account. Taking over additional duties, working hours, commute length and actual time spent away from personal pursuits are all 'hard' factors considered alongside individual perceptions in this model, which uniquely balances opinion with real working practice.

The Regus Work:life Balance Index calibrates a number of different factors to produce an index value that reflects overall levels of personal-work life harmony.



About Regus

Regus is the world's largest provider of flexible workplaces, with products and services ranging from fully equipped offices to professional meeting rooms, business lounges and the world's largest network of video communication studios. Regus enables people to work their way, whether it's from home, on the road or from an office. Customers such as Google, GlaxoSmithKline, and Nokia join hundreds of thousands of growing small and medium businesses that benefit from outsourcing their office and workplace needs to Regus, allowing them to focus on their core activities.

Over 1,300,000 customers a day benefit from Regus facilities spread across a global footprint of 1,500 locations in 600 cities and 99 countries, which allow individuals and companies to work wherever, however and whenever they want to. Regus was founded in Brussels, Belgium in 1989, is headquartered in Luxembourg and listed on the London Stock Exchange.

For more information please visit:

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