

Work-Life Issues: An EAP's Perspective

Insights from the WarrenShepell Research Group



WarrenShepell

The logo graphic consists of two overlapping, wavy lines. The top line is green and the bottom line is yellow, creating a stylized, flowing shape.

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EXECUTIVE SUMMARY

The work and non-work lives of Canadians are changing and interacting in ways to produce unprecedented levels of stress, both at home and in the workplace. The nature of work is intensifying, with longer hours and greater encroachment of work tasks on home life. The nature of home life is also changing with joint pressures of childcare and eldercare. The costs of work-life conflict are growing through absenteeism and lower employee engagement. While some employers are responding by creating 'life-friendly' workplaces, a growing body of research suggests that work-life balance can be more effectively restored through employer efforts to improve quality of life outside of the workplace. This report makes a case for the use of EAP work-life programs as a resource for achieving that end.

Due to the growing importance of work-life programs, an empirical study was conducted on client data to understand current patterns and trends in program use. Among the findings:

- The use of work-life programs is increasing relative to traditional EAP mainstream counselling.
- Legal and financial services have the highest use. However, use of nutrition and family services is rapidly increasing.
- Work-life programs are used more-or-less equally by males and females and by younger and older workers.
- Males are accessing more legal and financial services; females are accessing more nutritional, childcare and medical services.
- Younger workers are accessing more childcare, medical and nutritional services; older workers are accessing more financial and eldercare programs.
- The consulting, hospitality, and provincial government sectors are among the most frequent users of work-life programs.
- The hi-tech/software, healthcare, and municipal government sectors are least frequent users of work-life programs.

The report concludes with a discussion of societal trends that will likely lead to an increased importance and use of integrated EAP work-life programs. Age and nutrition are two of several demographic factors that will continue to affect work-life balance. Public policies are also evolving to address this balance. Additionally, values in Canada appear to be changing as family, leisure, and community grow in importance at the expense of work and careers. EAP work-life programs are positioned as a critical component of employer brands in the midst of these changes.

INTRODUCTION

'Work-life balance' has been the rallying cry of labour pundits, well-intentioned employers, and working people everywhere over the last decade. The topic has spawned thousands of studies in psychology, sociology, family studies, and industrial relations. Research institutes and consulting houses in North America continue to estimate

its prevalence and its impact on nations at large.

Despite the copious amount of ink that has been spilled on the topic, work-life balance continues to elude clear definition. Consider the various ways that it has been construed:

- The balance of waking hours allotted to work and non-work
- The intrusion of work tasks and gadgets in our home lives (e.g., cellphones, fax machines)
- The spillover of harmful cognitions and emotions from work to our non-work reality
- A 'drain' of finite resources from one domain to another (e.g., energy, attention)

Despite the diversity of views, work-life balance has become 'the' bellwether topic among organizational thinkers and a touchpoint for work wellbeing in general. It has come to crystallize many of the concerns that exist about the way we currently work and the ways in which work is changing in response to growing competition within an increasingly deregulated, global economy.

Apart from lay conceptions, organizational psychologists are coming to view work-life balance from the standpoint of role conflict. Social roles provide meaning and structure for people's lives; setting boundaries that are emotional, cognitive, physical, and relational. Social role imbalance is seen as a stressor to all affected life domains and to wellbeing in general. Although we possess a number of social roles in life, the two that have received the most attention in work-life research are work and the family. Work-family imbalance occurs when the pressures of work and family domains have become mutually incompatible to some degree. Fulfilling one role has been made difficult by living in the other. When balance is present, the impact of work and family on each other can be positive. Work-family relationships can be bi-directional, and can be either detrimental or enhancing. Although it may sound simple, the work-family interface is still complex, involving reciprocal effects among many variables and mechanisms.

The Evolution of Work-Life Imbalance

How is work-life balance changing in Canada? Consider the following:

- The average work week has increased from 42 to 45 hours per week over the past decade. Forty per cent of employees work more than 50 hours per week, compared to 25% in 1990.
- Canadians spend only about 17 hours a week in

non-work-related activities.

- Fifty-two per cent of employees take work home with them, up from 31% in 1990.
- Eighteen per cent of employees now take unpaid 'catch-up' work home with them.
- Fifty-nine per cent of employees check their voicemail after hours, 30% accept work-related faxes at home, and 29% keep their cellphones on.
- Eighty-one per cent of white-collar employees accept business calls after hours; 65% check their email from home. Forty-six per cent consider this work-related contact to be an intrusion on their lives.
- Reports of work-family conflict has increased in all sectors since 1991.
- It is estimated that one in 10 are having serious trouble balancing work and family life.
- Forty-four per cent of Canadians working for large companies report negative spillover from work to family.
- An estimated 28% of working Canadians feel that family and friends resent the number of hours they spend working.

The Cost of Work-Life Imbalance

Employers are becoming more aware of the direct and indirect costs associated with work-life conflict. One of the most significant ways in which work-life conflict affects costs is through absenteeism. Employees with high work-life conflict miss twice as many workdays as those with low conflict. This includes employees who see their managers as unsupportive of their work-life needs. The cost estimates of conflict-related absenteeism range from \$2.7 to \$5 billion. Work-life conflict also erodes profit through employee disengagement and turnover. A recent study by a HR consulting firm found that 75% of employees would consider joining a new company for 'soft' reasons, including more flexible working hours. Both Gallup and Canadian Policy Research Networks have identified 'freedom to schedule work hours' as an important feature that people look for in a job. At the national level, work-life conflict is estimated to add \$425 million annually to the cost of healthcare.

Life-to-Work Conflict: The Hidden Conflict

The statistics cited earlier are a testament to the negative impact of work-to-life conflict. But what about life-to-work conflict and facilitation? Shouldn't the latter receive as much attention from employers? One employee's three-year-old has a bad bout of bronchitis. Another employee is buried in credit card debt. A third employee is facing a lawsuit filed by his neighbour. The attitude of many employers around these issues is 'leave it at home.' They may feel that improving the quality of employees' non-work lives is not their responsibility. While this is technically true, it should still be their concern. The following are some reasons why. They have been framed largely within the context of family-to-work conflict, since this represents the bulk of research in this area. However, they can be extrapolated to other forms of life-to-work conflict.

First, work-life conflict is bi-directional and reciprocal. What goes out in the form of work-to-family conflict often comes back in as family-to-work conflict. Second, studies show that non-work domains (e.g., family) have a more beneficial impact on work than work has on non-work. Third, life-to-work conflict can have serious detriments to well-being. Longitudinal studies indicate that family-to-work conflict predicts depression symptoms, poorer self-reported physical health and hypertension. In one comprehensive study, individuals with high work-to-family conflict were over three times more likely to have a mood disorder, over two times more likely to have an anxiety disorder, and almost two times more likely to have a substance dependence disorder. Individuals with high family-to-work conflict, on the other hand, were nearly 30 times more likely to have a mood disorder, almost 10 times more likely to have an anxiety disorder, and over 11 times more likely to have a substance dependence disorder. Studies also show that work-to-family conflict and family-to-work conflict have separate impacts on psychological and physical health, including levels of depression, anxiety and substance abuse.

A fourth reason for employers to take note of life-to-work conflict, is that it appears to have a more substantial impact on work adjustment than work-to-life conflict. It is well-known that family and other home-based stressors can lead to preoccupation with those stressors and reduce

energy levels for work. While work-to-family conflict tends to predict family-related dissatisfaction, tardiness, absenteeism and performance, family-to-work conflict has been found to predict work-related dissatisfaction, tardiness, absenteeism and performance. In fact, research suggests that only family-to-work conflict (and not work-to-family conflict) predicts these work adjustment problems. In other words, *life-to-work forms of conflict are emerging as key predictors of negative work behaviours.*

Fifth and finally, the costs associated with life-to-work conflict are not trivial. The direct costs are estimated at just under \$500 million a year - approximately twice that when indirect costs are included.

What can employers do to address non-work stressors on employee health and work adjustment? They can enact family-friendly policies, but studies have shown that they reduce only work-to-family conflict, not family-to-work conflict. Role-related antecedents of life-to-work conflict reside in the life domain. In other words, causes of work-related problems that originate at home cannot be readily addressed through the direct actions of employers, including changes they make to the workplace. Stressors hail from different places, and it is more fruitful to tackle them at their source.

Employers can't care for their employees' sick children. Nor can they consolidate their debt or defend them in court. However, they can offer stand-alone work-life programs as part of an integrated EAP program - programs that are designed to address specific stressors associated with non-work life. EAP work-life programs have the effect of reducing the number of hours that employees spend addressing non-work problems - time that has been shown to impact life-to-work conflict.

EAP work-life programs may also be an alternative for employees who shy away from using internal, organizational programs to alleviate work-life conflict (e.g., part-time, flextime). One Canadian national study found that employees who pass up internal programs do so because they fear using them will limit their careers. By contrast, EAP work-life programs are third-party and confidential.

Despite the salient benefits associated with integrated

EAP work-life programs, many employers do not offer them. The Families and Work Institute recently found that only 25% of organizations offered seminars or workshops on parenting, child development, eldercare, or work-family problems. Only thirty-six percent of organizations offered information to help locate childcare services. Only 23% of organizations offered eldercare resource and referral services.

EAP Work-Life Programs

The analysis that follows is based on the suite of work-life services that WarrenShepell offers. This includes programs that address legal, financial, medical, nutritional, homecare, and family issues. The latter includes childcare and eldercare sub-programs.

Legal work-life programs offer the services of qualified lawyers who recommend courses of actions in cases involving legal issues such as bankruptcy, divorce, criminal charges, summons and warrants, wills and estate planning.

Financial work-life programs are administered by registered financial experts. They consult with and help employees to create actions plans around personal budgets, debt/credit consolidation, retirement, and financial emergencies. Financial services are an essential feature of EAP work-life

programs. According to an Ipsos-Reid poll, 39% of Canadians identify finances as their main source of stress, second only to work.

Medical work-life programs are administered by registered nurses. Services are telephone-based and are operated 24 hours a day, seven days a week. Employees can inquire about medical problems and emergencies of their own or those of their family members.

Nutritional work-life programs enable employees to receive professional nutritional counselling by a registered dietician. Employees receive programs related to weight loss/gain, increasing energy, vegetarianism, disease prevention, and lifestyle changes in general.

Homecare work-life programs enable employees to consult healthcare and homecare professionals. Advice and action plans can be crafted to deal with homecare emergencies, planning long-term care, post-operative and post-partum care, and caring for ailing loved ones.

Family work-life programs are available to address the varied needs of caregivers, including choosing daycare centres, managing children with special needs, adoption, blended families, finding a nursing home or rehabilitation centre, and arranging various caregiver and home support services.

TRENDS IN WORK-LIFE PROGRAM UTILIZATION

An empirical study was conducted on WarrenShepell proprietary data from 2000-2003 to address questions regarding patterns and trends in work-life program utilization. Among the questions that we posed:

- What proportion of total EAP is accounted for by access to work-life programs, and how is that proportion changing over time?
- What work-life programs are utilized the most or least, and how is that changing over time?
- How do the above findings play out for different sectors?

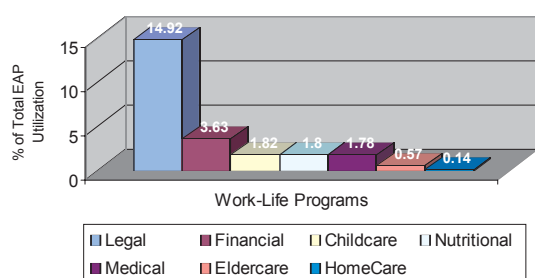
- How do the above findings play out for males and females, and different age groups?

Average Work-Life Program Utilization

The average utilization of work-life programs is 24.34% of all EAP services (2000-03). While the bulk of access is for mainstream counselling, the ratio of mainstream services to work-life programs is changing. Utilization for the latter has consistently increased from 23.41% in 2000 to 25.41% in 2003.

When work-life utilization is broken out into separate programs, legal services is shown to represent the bulk of utilization. The average utilization of legal services from 2000 to 2003 is 14.93% of all EAP services. Financial services follows at 3.49% with the remaining work-life services each accounting for less than 2% of total EAP (see Figure 1).

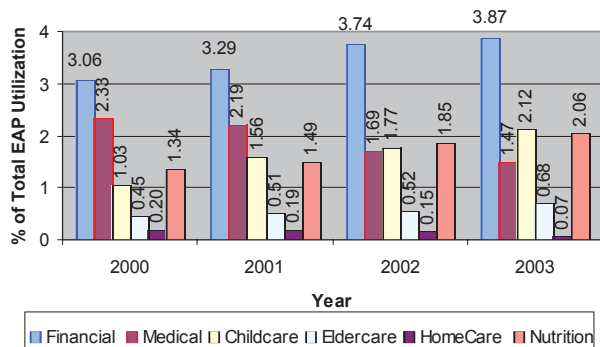
Figure 1. 3-Year Average Utilization of Work-Life Programs



Trends in Work-Life Program Utilization

Most of the seven work-life programs have increased in utilization over the past four years (see Figure 2). Legal services, by far the most popular program, is not plotted to show the distinctions among other services. Legal services utilization has increased from 14.98% in 2000 to 15.14% in 2003.

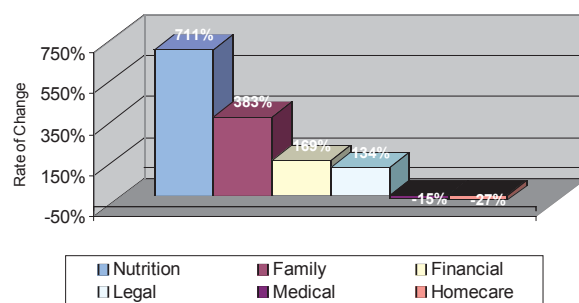
Figure 2. Trends in WL Program Utilization



While legal and financial services continue to grow in utilization, nutrition and family services are gaining

ground. Utilizations for the latter services have increased at rates of 711% and 383%, from 1999 to 2003 (see Figure 3). It is important to note, however, that legal and financial services still account for the greatest absolute number of new cases opened during this period. Rates of change suggest how the balance of utilization among programs may change in time as a function of demographics and increased awareness.

Figure 3. 5-Year Rate of Change in WL Program Utilization



Work-Life Presenting Issues

The separate work-life programs can be broken out into presenting issues logged at intake. Of the eighteen legal presenting issues, the top five have been family law (21.26%), marital dissolution (19.36%), consumer and general civil litigation (8.33%), custody/visitation (6.18%), and child support (5.22%). These percentages represent a four-year average proportion of utilization for legal services.

Among legal presenting problems, marital dissolution showed the greatest increase in proportion of presenting problems - by almost 10% (14.85% in 2000 to 24.27% in 2003). Custody/visitation (4.96% in 2000 to 7.59% in 2003) and child support (4.27% in 2000 to 6.00% in 2003) followed. Family law showed the largest drop - by almost 10% (26.33% in 2000 to 16.80% in 2003), followed by settlement agreement (2.59% in 2000 to 1.08% in 2003).

Of the six financial presenting issues, the top three most frequent have been debt/credit (61.34%), retirement (8.32%), and taxes (6.71%). Issues related to retirement showed the greatest increase in proportion of presenting

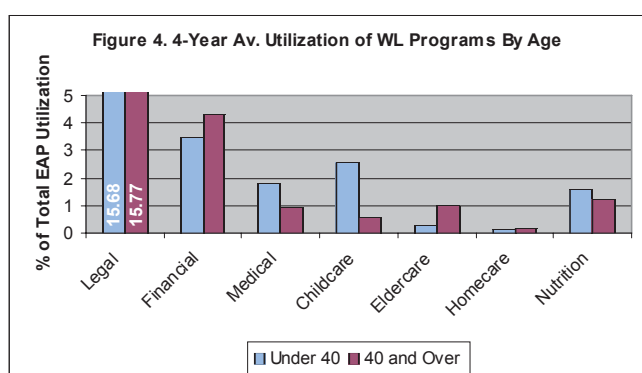
problems (5.13% in 2000 to 9.30% in 2003). Debt/credit (62.51% in 2000 to 65.61% in 2003) and taxes (5.65% in 2000 to 7.69% in 2003) followed. Estate, as a presenting issue, showed the only noticeable drop (2.66% in 2000 to 1.60% in 2003).

Of the four nutritional presenting issues, the top two most frequent were weight management (50.20%), and healthy eating (29.20%). The latter showed the greatest increase in proportion of nutritional issues by almost 6% (26.78% in 2000 to 32.48% in 2003).

Age Differences in Work-Life Utilization

Two age groups were compared on patterns of work-life utilization. Clients under 40 years of age and 40 years of age and older did not differ markedly in their four-year average utilization of work-life programs (25.47% vs. 23.94%). Work-life utilization is also increasing at a comparable rate for both groups. While differences may be more apparent among much younger and older workers, the results suggest that work-life services are relevant for the entire age spectrum.

When broken out by each work-life program, we see that younger workers access more childcare, medical and nutritional programs (see Figure 4). Younger workers are more likely to be recent parents who are beginning to juggle a new mix of work and non-work stressors. Older workers access more financial and eldercare programs, suggesting more concerns around retirement and care for their own aging parents.



Among legal presenting issues, younger workers presented more custody/visitation issues than older workers (7.80% vs. 3.71% of legal presenting issues). This makes sense, given that divorce tends to occur earlier rather than later in marriage. Older workers presented more issues related to wills (5.27% vs. 2.85% for younger workers). Among financial presenting problems, younger workers showed an overwhelming prevalence of debt/credit problems (69.60% vs. 54.54% for older workers) - a 15% difference. Understandably, older workers presented more problems related to retirement (16.68% vs. 2.33% for younger workers). On the nutrition front, younger workers presented more problems around healthy eating (33.54% vs. 21.68% for older workers) - an almost 12% difference. Their older cohorts presented a greater number of disease state management problems (21.03% vs. 11.79% for younger workers). As younger workers age and take on more responsibility, they may seek a change in diet to afford them better health and more energy. Older workers may be facing the emergence of chronic, age-related diseases. Trends in these presenting issues did not differ markedly for younger and older workers.

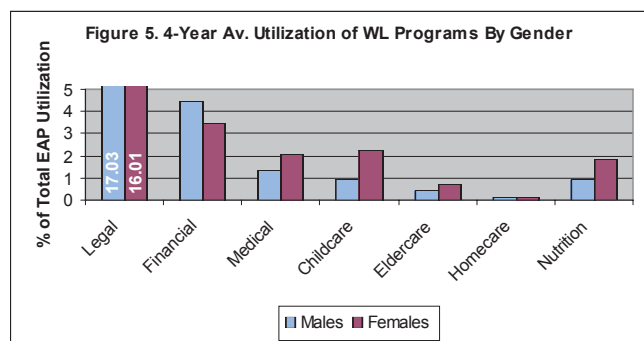
Gender Differences in Work-life Utilization

Gender differences were also examined in patterns of work-life utilization. Overall, males and females were similar in their utilization of work-life programs as a proportion of total EAP (four-year average of 25.23% for males vs. 26.39% for females). Work-life utilization is also increasing at a similar rate for both genders.

When work-life utilization is broken out into separate programs, males are seen to access more legal and financial services. Females are accessing more nutritional, childcare, and medical services (see Figure 5). The latter two services reflect the continuing status of women as the primary caregivers in the family.

Among legal presenting issues, males presented more criminal problems than females (5.90% vs. 1.90% of legal presenting issues), reflecting the higher incidence of criminal behaviour among males in general. Females presented more problems related to wills (4.54% vs. 2.68% for males). Among financial presenting issues, males presented a greater frequency of problems around

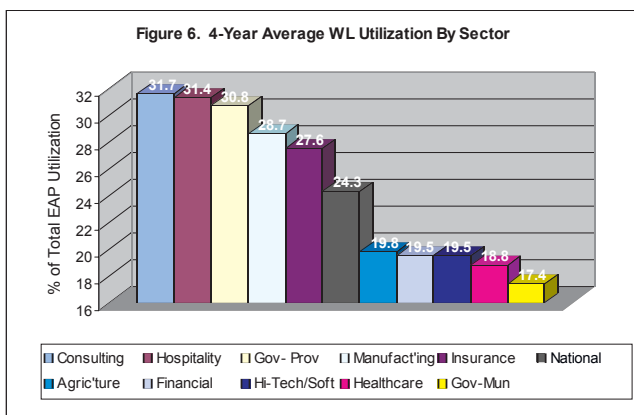
debt/credit problems (63.78% vs. 60.55% for females). Finally, among nutritional presenting issues, males presented more healthy eating problems (31.84% vs. 28.83% for females) while females presented more weight management problems (50.20% vs. 47.37% for males). Trends in these presenting issues did not differ markedly by gender.



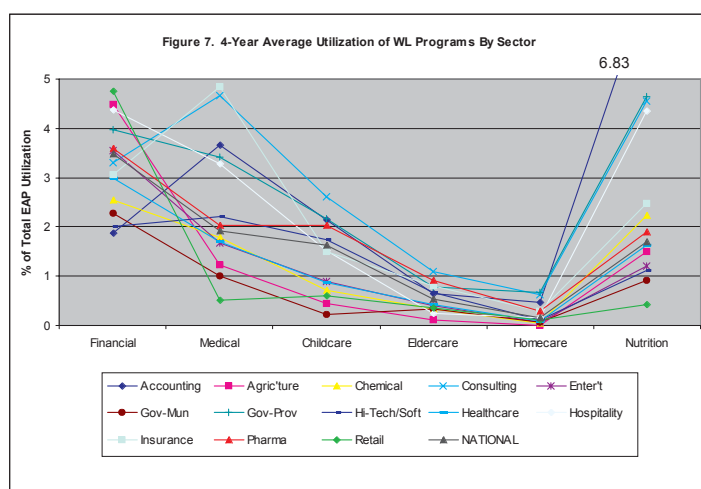
Sector Differences in Work-Life Utilization

Patterns of work-life utilization were also studied across client sectors. The focus was restricted to 19 sectors that were tracked from 2000 to 2003. The most practically-significant differences are discussed here.

Figure 6 depicts select sector differences in four-year average work-life utilization as a function of total EAP (2000 to 2003). The consulting (31.7%), hospitality (31.4%), and provincial government sectors (30.8%) showed the highest work-life utilization relative to national norm. Hi-tech/software (19.5%), healthcare (18.8%) and municipal government sectors (17.4%) showed the lowest utilization. The difference between government sectors is particularly intriguing.



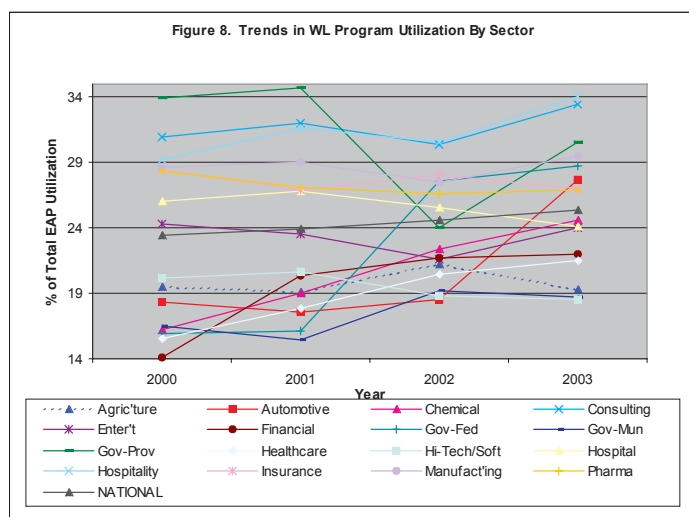
The above results were broken out by each work-life program. Figure 7 depicts the most practically-significant sector differences. Legal services, with very high utilization, is omitted to better depict sector differences on less-utilized programs. Manufacturing showed the highest utilization of Legal services (19.17%), followed by the hospital (17.70%, not charted) and retail sectors (17.61%). Legal services were least utilized by the financial sector (7.41%).



From Figure 7, we see that sector differences are largest for medical and nutrition service utilization. Insurance (4.84%) and consulting (4.67%) showed the highest medical service utilization. Retail (0.50%) and municipal governments (1.00%) show the lowest. Accounting showed the highest utilization of nutrition services (6.83%), followed by provincial governments (4.65%), consulting (4.55%), and hospitality (4.36%). Retail (0.42%) and municipal governments (0.92%), again, were lowest. Sector differences were smallest for eldercare and homecare. This reflects low overall utilization for these services.

Additionally, the retail and agriculture sectors show a much higher utilization of financial services relative to other services. This may reflect the generally lower wages earned by retail employees and financial difficulties sustained in agriculture over the last four years (e.g., mad cow disease, trade disagreements).

The largest sector differences in work-life utilization trends are depicted in Figure 8 (as a percentage of total EAP). The provincial government sector showed the least consistency, trending down sharply between 2001 to 2002.



The federal government sector showed the opposite trend. The automotive sector showed a spike in work-life utilization between 2002 and 2003. While many sectors are trending up, the hospital, high-tech/software, and pharmaceutical sectors are trending more or less downward. Chemical companies are trending upwards at a consistently higher rate than the national norm.

TRENDS IN WORK-LIFE BALANCE AND PROGRAMS

A number of demographic, political, and societal factors are coalescing to impact future attitudes on work-life balance and the use of programs to promote it. First, the needs of the average employee are evolving along with the demographic landscape. More women are joining the workforce while continuing to act as primary caregivers in their families. The population is also aging, placing strain on younger caregivers. Additionally, the financial situation of Canadian families continues to grow more complex with greater investment, home ownership, and debt loads. The family continues to re-define itself through common-law and other alternative forms of marriage. Additionally, obesity and nutritional problems have been cited as burgeoning 'epidemics' in Canada. These demographic changes will continue to impact the wellbeing of employees and elevate the demand for relevant work-life programs.

Second, governments are demonstrating greater awareness of work-life challenges by implementing relevant policies. For example, the federal government is planning to expand mandated parental leave from one to two years, enabling more room for quality childcare and home care. The Ontario government is issuing tax credits for caregivers and has expanded the eligibility for this program. On the financial front, the federal government is increasing RRSP limits over the next three years. This places a greater onus on citizens to provide for their own retirement and seek

out financial advice. The Quebec and Alberta government have also addressed work-life balance in recent budgets - the latter instituting a 'Family Day' in February.

Third, EAPs have been promoting greater awareness of the availability of work-life programs. Utilization of work-life programs will likely increase as a result. While increased use may be explained to some extent by the promotion itself, this does not negate the existence of a real need for these services. Similar to many psychological problems, the prevalence of various work-life problems are probably under-reported. Better promotion may lead to a greater proportion of these needs being met.

Finally, the need for work-life programs may increase as a function of changing work values in Canada. Research suggests that a growing number of people are withdrawing from work in a psychological and behavioural fashion. Job satisfaction and work ethic levels have diminished over the past thirty years. Trend-watchers note that a growing number of people are looking to downshift, 'cash-out', and live lifestyles characterized by less work and greater involvement in family, leisure and community activities. These trends have been highlighted through media stories on the growing importance that parents are placing on children at the expense of their careers. Family and other non-work aspects of life are moving to the forefront of

Canadian consciousness. At the same time, the nature of work is intensifying in most sectors with longer hours and more negative spillover from work to home life. Employers can continue to grow and remain competitive in the midst of this social change by offering EAP work-life programs that enable employees to thrive in their non-work lives.

The availability of work-life programs may be a competitive advantage for organizations looking to attract and recruit scarce talent. The use of such programs will result in a higher quality of life among employees, the effects of which enhance employee and organizational performance through work-to-life facilitation.

THE WARRENSHEPELL RESEARCH GROUP

The WarrenShepell Research Group has been formed to gather, analyze and provide commentary on organizational health trends that affect our clients, their employees and families. Collecting and disseminating data about mental health issues, linking with some of the industry's highest profile research institutes and individual scholars, and drawing from our 24 years of expertise in the industry, the WarrenShepell Research Group's mandate is to help our clients and the broader business community understand the intricacies and the impact of poor mental health, work-life imbalances and related issues in our workplaces and in our communities.

The findings contained in this report are based on WarrenShepell proprietary data. These findings are supported by information derived from a wide variety of academic, government, and private research institutions. References have been omitted for space considerations. They are available upon request.

This study was conducted by Paul Fairlie, MA, Research Associate with WarrenShepell. The WarrenShepell Research Group is directed by Karen Seward, VP Research and Development.

Questions or comments may be directed to Karen Seward at 1-800-461-9722.