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## **Is CSR supporting work-life balance in Europe?**

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## **Is CSR supporting work-life balance in Europe?**

### **1. Introduction**

The last fifteen years have seen corporate social responsibility (CSR) transform from a niche issue to a necessity for every large internationally operating company. The rapid growth of the movement has produced a wide body of literature addressing how companies can respond to growing stakeholder expectations and create business opportunities out of CSR. Proponents see CSR as not just another management trend, but an opportunity to transform business from the inside out, at a time when many stakeholders are losing faith in the capitalist system and the positive influence of large companies on society and the environment.

Governments and policy makers at an EU level have also begun to sit up and pay attention to the CSR movement. Within their support for CSR, employee welfare outcomes play a special role, as the political debate has increasingly shifted towards market-driven social policy (Seeleib-Kaiser und Fleckenstein 2009, 741). Indeed, company initiatives may be a decisive factor in enabling key EU targets, including a higher female employment rate and an overall employment rate of 75% of those aged 20–64 to be reached by 2020 (Eurofound 2011a, 2). Company efforts to help their employees reconcile employment with the needs of their personal lives, termed achieving work-life balance (WLB) has therefore been the subject of growing attention (den Dulk et al 2011, 301). As shown in the paper, WLB is an issue that a significant proportion of workers in Europe struggle with and one that has been exacerbated by recent developments in the employment relationship. Support of WLB issues can help to enable a more productive workforce, in which women and men can be both earners and carers (Hobson 2011, 147).

Among CSR's efforts to create stakeholder value, WLB is a recognised opportunity for it to address the key stakeholder group employees. Yet, despite the fact that both of these topics have generated a vast body of literature and attention in recent years, there has as yet not been any research on how the growth of CSR is affecting WLB policies and outcomes, beyond an isolated case in Slovenia (Stropnik 2010). This is a gap in the literature which is worthy of attention. I have chosen to address this gap by exploring CSR's support of WLB in Europe in this paper.

The main challenge of this topic is that CSR literature has dealt little with employee outcomes, and WLB literature little with policy provision in Europe. Despite decades of

research on stakeholders and CSR, we still know very little about the outcomes of CSR for society as opposed to the financial impact on the company (Banerjee 2011, 720; Campbell 2007, 946). More extensive information about the extent of WLB policies within enterprises has only become available within the last fifteen years. Evans (2000) bemoaned that there was scant national information to be found beyond Australia, the UK, Japan and the US, and these countries have remained at the forefront of WLB policy research (Brough et al 2008, 271, den Dulk 2011, 303). The determinants of firm-level WLB policy provision in Europe also lacks a substantial research base (Seeleib-Kaiser and Fleckenstein 2009, 743; Heywood, Jirjahn 2009, 128).

There is, however, a more recent source of data on WLB and WLB policies in the form of EU worker and employer surveys, which have reflected the growing concern with this issue in their questionnaires over the last fifteen years. Whilst there are considerable differences between the EU states regarding welfare provision and culture, longitudinal data over the last fifteen years provides a view of developments over time, regardless of the national differences. Moreover, the dominance of multinational corporations in the field of CSR makes an international perspective across Europe highly relevant, though the relative development of CSR in Western Europe and the concentration of research in this region naturally shifts the focus of this paper in this direction. The second source of primary data I have used is the CSR reports produced by the companies in the CSR index FTSE4Good Europe 50, which represent their portrayal of CSR to stakeholders. Finally, I draw on the extensive literature on both CSR and WLB in order to assess the causal pathways that lead to provision of WLB policies.

## **Methodology**

This paper is divided into three sections: a review of the theory of CSR, WLB and the potential firm-level solutions; an analysis of the extent of WLB issues and policies addressing them; finally, a review of the literature addressing barriers to CSR's support of WLB and a forecast of progress in the field.

The first section starts by taking stock of the CSR trend and detailing in particular the features in theory and practice that make it a relevant platform for addressing and supporting work-life balance at a firm level. In order to understand the development of CSR, specifically stakeholder theory, and the relevance of work-life balance, I then sketch out the socio-economic developments and changes in management paradigms that have affected the management-stakeholder and employer-employee relationships. Turning to

the concept of work-life balance I present interpretations of the term, who it is most relevant to, and what firm-level arrangements can help.

The second section presents empirical evidence on a European level in the form of EU employee and employer surveys reporting levels of work-life conflict and the extent of firm-level work-life balance policies. This is supplemented by an analysis of the 2013 CSR reports of the FTSE4Good Europe 50, which provides the company perspective on the extent to which CSR is addressing WLB issues.

The third section turns to the literature on CSR and WLB to find answers to the question why work-life balance issues persist despite firm-level policies, and what companies to improve their systems and processes. This section is rounded off by a perspective on developments in the CSR field and an outlook of what these could mean for work-life balance policies in the years to come.

## **2. CSR and WLB theory**

### **2.1 Corporate Social Responsibility**

One of the first influential scholars on the subject defined CSR as meeting “the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (Carroll, 1979, 500). Since then, many more attempts to define the term have joined this, resulting in what is often considered a confused and tortured concept (Rivoli and Waddock 2011, 87). The responsibility of the company – what does this mean? The question goes to the heart of the theory of the firm and what the role of the firm in society is and should be. Moreover, the use of the word responsibility itself is ambiguous: it can imply legal, moral or mental accountability, admitting responsibility for existing negative outcomes or assuming responsibility to ensure positive ones in the future (Pless et al 2012, 52).

The concept of corporate social responsibility is not new, but a number of developments have pushed the previously marginal question of responsibility to the top of the corporate agenda. The growth of the international corporation over the second half of the last century, to the point of surpassing the revenue-producing ability of smaller governments (Waddock 2008, 87), has given these institutions unprecedented power to determine the welfare of a country and thus influence its political agenda (Shaw 2007, 11). Where this growth has brought with it great wealth, the concomitant growth in global (and in many

cases national) inequality is a source of controversy. Stark examples, such as levels of CEO compensation, have caught the attention of the media and the larger public: in 2006, CEO compensation in the U.S. was estimated at 364 times that of the average worker (Waddock 2008, 88).

Following a period of companies separating commercial and societal interests, the rise of CSR over the last twenty years suggests a willingness to counteract the more extreme manifestations of market forces and re-embed business in a wider societal context (Midttun et al 2006, 369). This mechanism is situated within a wider shift in power and responsibility within society, which can only be represented in brief here. New governance theory describes the development of a 'post-regulatory' state, characterised by reduced government regulation and a diffusion of rights amongst governments, companies, NGOs and other parties, transcending national boundaries (Conley and Williams, 2011, 6). CSR can be seen both as responding to this development – as an opportunity to connect communities to the new global power-brokers – and, up to a point, producing it (ibid; Shaw 2007, 11). Ideally, CSR does not encourage private companies to take over former public responsibilities, but rather to assist the public and society by applying their comparative advantage in relieving particular problems that are in some regard related to their business (Bredgaard 2004, 379).

As a concept developed primarily in the US, its application in the different institutional context of Europe was initially approached tentatively (Andriof and Waddock 2002, 23). In the case of Europe, questions around CSR and the social role of the company were first raised in the 1990s, parallel to and intrinsically linked to debates on the redefinition of the welfare state (Celma et al 2012, 3). Founded on the preference of voluntary action over regulation, CSR is interpreted as a solution essentially moulded by US society; its transfer to other parts of the world such as Europe, where capitalism has developed in a different fashion, is therefore bound to lead to some tensions (Preuss et al 2009, 955).

In order to understand the emergence and relevance of CSR, it is important to grasp the theoretical framework on which it is founded. Considerations of the various responsibilities of a business and its relationships within a circle of influence are central to a theory of the firm (Andriof, Waddock 2002, 21). How does CSR define these responsibilities and relationships? A central tenet of the movement is the importance of the stakeholder, which is explicitly or implicitly integrated into most definitions of CSR. Take the European Commission's definition of CSR as "a concept whereby companies integrate social and

environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis” (European Commission 2002, 3). The ‘responsibility’ that constitutes CSR is inseparable from stakeholder theory, the idea that every firm has ‘holders’ of ‘stakes’ in the firm, who interact with it and make its operation possible (Andriof and Waddock 2002, 29).

Whilst the foundation of stakeholder theory are older, efforts to create a coherent construct can be dated back to the 1980s, in particular to Freeman's stakeholder view of the firm (ibid; Morsing, Schultz 2006, 324). Interest in the theory is directly related to the growth of shareholder prioritisation, to which it provides an alternative. By orientating the firm towards all stakeholders, rather than just the subgroup shareholders, it confronts their current dominance and the impact this narrow view has had on management strategy, detailed in 2.3.1.

A key challenge in the field of stakeholder theory has been establishing a universally accepted definition of the term 'stake' (Andriof and Waddock 2002, 30). Freeman's definition, which has remained influential, provides an instrumental description of a stakeholder as “any group or individual who can affect or is affected by the achievement of the firm's objectives” (Freeman 1984, 25). The main stakeholder groups of an average firm are generally acknowledged as their customers, investors, suppliers, employees and the communities in which they operate (Jackson and Brammer 2013). Applying stakeholder theory to firm management means integrating the interests of all the main stakeholder groups of a particular firm into the mission and strategy, theoretically without one interest receiving excessive privilege over another (Zadek 2001). Through the integration of such interest groups as customers and employees, considering these as 'ends' as well as 'means', stakeholder orientation promises a more holistic view of the human factor in business.

How then does corporate social responsibility compare to other terms such as business in society, corporate sustainability, corporate responsibility and corporate citizenship? In practice, the terms are frequently used in overlapping contexts. Business in society is an overarching field describing and evaluating firms' societal and ecological interactions, in which both corporate social responsibility and corporate social performance literature are situated (Andriof and Waddock 2002, 20). Corporate social performance is often thought of as a more normative term, theorising the accountability corporations have to the societies in which they operate (ibid, 24).

In the late 1990s, corporate social performance came to be replaced by 'corporate citizenship', whilst 'corporate responsibility' was used in recognition of simultaneous social and environmental obligations. The use of these terms reflects a perceived progression from earlier initiatives, which were frequently seen as mere philanthropic or PR exercises. This progression can be witnessed in a change of approach to become more integrated, based on an awareness that companies are part of society, not separate from it, and to be more proactive, seeking engagement with stakeholders rather than just reacting to pressure. 'Corporate citizenship' implies active commitment – making a difference in the community, society and country in which one exists and to which one thereby belongs (Andriof and Waddock 2002, 23-26).

Citizenship also indicates a long-term commitment, an aspect emphasized even further by the term 'corporate sustainability'. In light of global warming and the increasing dominance of short-termism in financialised markets (see 2.3.1), sustainability addresses concerns about future generations and the harm our systems are causing them. Sustainable development, as defined in an oft-quoted United Nations document in the 1980s “meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED 1987). In his review of corporate sustainability and CSR definitions, Montiel (2008) concluded that they have the same intention of balancing financial responsibilities with social and environmental ones and that the two terms are often used interchangeably. For the simplicity's sake, I use the term CSR to refer to the responsibility movement, which as detailed above, can be seen as a coherent concept. Although other terms, in particular 'sustainability' and 'corporate responsibility,' have become more popular, my intention is to refer to the development from its foundations to today; the use of the term here does not by any means infer a critical stance.

### **2.1.1 Employees as stakeholders**

For every firm that has employees, they are an obvious group of individuals that both affects and is affected by the achievement of the firm's objectives. In this context they are both recipients and deliverers of governance systems: they will often be subject to codes of ethics or conduct governing their interaction with other stakeholders, and as a universally recognised stakeholder of the firm, they should also be a clear beneficiary of the CSR trend (Mason and Simmons 2013, 50).

As cited, very little of the research on CSR and the stakeholder model in recent decades has addressed the issue of social impact (Banjeree 2011), including the impact of CSR on employees as recipients (Royle 2005; Preuss et al 2009). Among the areas that are underexplored within CSR are the equitable treatment of employees, their influence on CSR strategies and forms of corporate governance that significantly incorporate employees (Mason and Simmons 2013, 48-9). Nam (2003), for example, advocated a relevant governance role for employees as major stakeholders, giving them a voice on issues often regarded as managerial prerogatives such as job design, work organisation, technology choices and compensation.

The rise of CSR thus has great potential implications for HRM practice (Preuss et al 2009, 954). By incorporating the ethical principles or CSR into HRM practice, it can allow for a clearer focus on worker well-being and the impact of business on employees as an outcome in its own right (Celma et al 2012, 2). Developing an understanding of employees as entire people rather than just in their working capacity may well have positive effects on their working capacity too.

Demonstrating the importance of stakeholders for a company's mission, Freeman (1984) already suggested the potential for positive financial results from better relationships with stakeholders. Since then many other scholars have analysed the link between corporate social performance and financial performance (Morsing, Schultz 2006, 324). This is founded on the assumption that by voluntarily adopting socially accepted standards, corporations can acquire or maintain legitimacy from key stakeholders and establish a mutually beneficial relationship (Jackson and Brammer 2013). On the push side, as global communications have made it easier for individuals to express themselves and form interest groups, corporations have come under more open attack from activists, making engagement with stakeholders more and more relevant to company interests (Andriof and Waddock 2002, 19-20). On the pull side, companies can benefit not just from positive relationships with existing stakeholders, but the opportunity to attract new employees (and customers) in a highly competitive market (Guest 2002, 338). The business case for employee-orientated CSR is covered in more detail in 3.1 as a factor in the implementation of WLB policies.

### **2.1.2 CSR as an international movement**

As already indicated, CSR has only relatively recently become a widespread movement in Europe. The journey across the Atlantic and beyond can be understood as part of a global

spread of management concepts, ideologies, and technologies, or 'Americanization' of management practices. As with other management trends such as business re-engineering and total quality management, CSR has been adopted by many as a form of international best practice (Matten and Moon 2008, 406-412).

However, the rapid institutionalisation of CSR in Europe also has much to do with a number of international non-profit organisations that have sought to build on the trend of companies contributing more to society. The UN Global Compact is the largest of these initiatives, which was launched in 2000 with 44 business participants and has since grown to include over 8,000 companies (UNGC 2015). The Global Compact sets out the bounds of CSR initiatives in 10 principles on human rights, labour relations, the environment and anti-corruption which can be applied to companies across the world (Preuss et al 2009, 954). The Organisation for Economic Co-operation and Development (OECD) and the European Union (EU) have also contributed to international standards in the field of CSR and promotion of the movement. Celma et al (2012) find from their analysis of references to HRM in the documents issued by these organisations, that there is a primary focus on job quality, including both job characteristics and working environments, within which the subtopics of health and safety, equal opportunities and work-life balance are addressed.

Despite the international spread of CSR, a number of scholars have addressed the differences in national interpretations and practices, in particular between Europe and the USA. Matten and Moon (2008) made a particular contribution to the literature with their analysis of the historically different institutional frameworks or 'national business systems' in both regions and the relevance of these for CSR. These boil down to a different interpretation of the role of the firm in society. The USA has a more established tradition of philanthropy amongst business people, which has been transferred in the context of CSR from an individual to a firm level. In contrast, companies in Europe, particularly on the Continent, have historically been more embedded in society and have a greater cultural interdependence with a wide set of stakeholders including political parties, trade unions, employers' associations, the church and the state. As a result, stakeholder interests have traditionally received greater recognition in the corporate world here (see also Conley, Williams 2005, 2).

As a result of these systems, the authors argue that the USA gives more incentive to take explicit responsibility – responsibility articulated in corporate policies and communication as we find in CSR. They suggest that European companies have previously not taken less

responsibility than their American counterparts, but it has not necessarily resulted from strategic decisions and has been framed more implicitly, through values and norms. However, as we can see through the spread of CSR – or explicit responsibility – across Europe, attitudes have changed. As well as the influence of international bodies, national governments have driven this form of responsibility as part of a new governance role as an 'enabling state'. Despite this, the forms of CSR that are practised in Europe continue to differ from those in the USA, in particular where more comprehensive state welfare provision and regulation removes certain social and environmental issues from the corporate agenda. Greater definition of the responsibility of corporations towards their employees, such as contributions to health insurance, may explain the lesser focus of European CSR on employment-related issues (Matten and Moon 2008).

Whilst CSR has thus far been concentrated amongst large companies – in particular those that are highly visible and have brand reputations to protect – smaller firms are more likely to enact implicit CSR, taking responsibility in an informal or ad hoc basis (ibid, 417; Waddock 2008, 10). The fact that CSR is led by multinational companies and strongly influenced by international institutions makes a multinational perspective on the development meaningful.

## **2.2 Changes in society and the welfare state relevant to WLB**

Before introducing the concept of work-life balance, it is necessary to sketch out the most important developments in Western societies, welfare states and markets – beyond the influence of individual firms – that have impacted the development of the issue over the last few decades. At a European level the most important of these are the consequences of women's changed role in society and the growth of shareholder prioritisation.

Since the 1970s the dominance of the 'male breadwinner' household has been in steady decline, influenced by a number of societal changes (Bonoli 2007, 495). As more people choose to postpone marriage and parenting, in particular as education often lasts longer and women seek to have their own careers, the previously predictable life course of both sexes has altered (European Commission 2009, 32). Career choices of women, and to a lesser extent men, vary according to expectations of family life and childcare. Women continue to have a predominant role in childcare, but there are also greater expectations of men to be active fathers, especially when they can no longer rely on a housewife at home (Glass and Finley 2002, 317; Hobson 2011, 152). Moreover, family instability,

increasing divorce rates and single-parent households have created new issues for the reconciliation of work and family life (Bonoli 2007, 495).

These changes have put a massive strain on Europe's welfare states, which have often been slow to adapt. Western welfare states built up in the post-war years were founded on the male-breadwinner model (ibid; Taylor-Gooby 2004, 46). They established structures to protect families against the consequences of the male breadwinner losing the ability to earn an income, either through sickness, disability or old age. In this system women did not benefit directly, except in the event of widowhood. Instead, a poverty-free existence for almost all was successfully ensured through the existence of stable family structures and the clear division of labour between men and women (Bonoli 2007, 496).

As structures of social risk have transformed, the male breadwinner model has come to be seen by some as the "Achilles' heel of the welfare state" (Esping Andersen 1999, 70 in Perrons et al 2005, 55). Social security schemes, most notably pensions, assume a pattern of labour market participation that is no longer self-evident: full-time, continuous employment from early adulthood and a steadily rising income (Bonoli 2007, 500). As a result, part-time work, unemployment and other career interruptions often result in reduced income replacement benefits and pension entitlements (ibid, 503).

The lack of institutional change is typically explained in the literature by path dependency (Hobson 2011, 152). Interestingly, the countries that have gone furthest in adapting their welfare states to protect against new social risks – the Nordic countries – were not traditionally the most generous (Taylor-Gooby, 2004; Bonoli 2007, 504). Until the new millennium, social and employment policies in countries such as Germany, Switzerland, Austria or Italy showed little response to the issues related to female labour market participation (ibid, 506). Indeed, it is much harder to incorporate programs that address new social risks in a period of welfare state retrenchment that currently predominates, as opposed to during a phase of welfare state expansion, as Nordic countries did (Huber and Stephens 2004, 3). From a functional perspective, the belated response of many European welfare states to changed risk patterns, failing to sufficiently meet the needs of certain employees, has contributed to the recent expansion of firm-level policies. (Seeleib-Kaiser and Fleckenstein 2009, 758)

### **2.3 Changes to the market and employer-employee relations**

Looking at changes in the market over the same period, a number of factors have weakened the position of the employee in relation to the employer.

### **2.3.1 Shareholder value**

Starting in the 1970s in the US, corporations have increasingly been dominated by the strategy of creating 'shareholder value' (Heilbron and Quak 2012, 142). Previously firms were expected to manage multiple interests and relationships with all major stakeholders, including shareholders. The concept of shareholder value has led firms to be redefined as a collection of assets that can be deployed and redeployed in order to ensure the highest possible shareholder returns. Initially promoted by activist shareholders, it was resisted by many executives, until institutional investors added their weight to the movement and waves of hostile takeovers forced a shift of power (ibid, 144). Shareholders began to take an interest in how managers ran their corporations and demanded greater information disclosure, higher and more consistent returns on investment, and clear strategies for future performance. Among the global players today, US- and UK-based pension funds are a continuing source of pressure for shareholder prioritisation (Deakin and Whittaker 2007, 1-2).

Shareholder value maximisation is criticised for causing managers to neglect other firm assets and stakeholders, in particular employees, "focus[ing] on the economic activity of producing goods and services and forget[ting] that their organization's true nature is that of a community of humans" (De Geus 1997, 9). As international competition has increased, organisations have come under more pressure to reduce costs, especially labour costs, and respond more flexibly to changes in market demands through seeking short-term profits (Jacoby, 2005; Heilbron and Quak 2012, 142). Measures to increase stock prices have included realigning the firm towards the 'core business' and selling or outsourcing other business ventures (ibid, 145). It is widely believed that the threat of moving investments and production from one region to another has forced governments to ease business regulations to retain jobs and tax revenues. For workers, being viewed more like commodities than assets means that these firms have become less willing to make long-term financial commitments to employees and invest less in employee training (Jacoby 2005, 71). Indeed, management that appears to take the 'high road' in their treatment of employees are assumed to do so only as an HRM technique to "support a careful but essentially manipulative management of organisational culture"(Guest 2002, 336).

The changed relationship between employers and employees is reflected in transformed structures of labour management. Put simply, it has been a transformation from 'personnel administration,' positioned on a national level, to the more transnationally situated 'human resource management' (Heilbron and Quak 2012, 140). Referring to employees as 'human resources' reflects their more explicit role in the strategic objectives of the firm and, equally, managing employees as an activity that cannot be separated from strategy (ibid, 146). This can be considered a centralisation of labour policy, in which human resources become subject to investment or disinvestment decisions like any other firm resources are, all as part of a strategy of enhancing shareholder value. Indeed, the centralisation of labour policy is witnessed by the rise in the proportion of HR managers that reported directly to the CEO in the two decades to 2000 (Jacoby 2005, 132). Jacoby emphasises that this should not be interpreted as a boost in the status of labour management; on the contrary, in the same period human resources shrank in size and lost influence in general (ibid, 91-95).

At the same time, globalisation has led to a certain degree of internal transnationalisation of corporate policy and what has been called 'dual embeddedness' in both a national and a transnational field (Heilbron and Quak 2012,142). This development is much more pronounced in corporate policy domains such as finance, production and marketing than in labour policy, which is limited by regulation and institutional structures on a national level. Corporations deal with the issue primarily by two means: outsourcing production to countries with lower wages and creating a differentiated labour policy (ibid, 142-3). A differentiated labour policy means higher levels of management are likely to be handled through centralised, transnational policy to optimise selection, training and performance, whilst lower levels of workers are generally subject to their respective national policies. Recruitment, training and dismissal of employees still largely takes place on a national level, whilst the level and composition of reward systems are affected by transnational policy (Quak et al 2010). The dual embeddedness of employee relations provides a rhetorical means to reduce protection and corporate responsibility for employees in general – often referred to as a 'race to the bottom' – including shifting the costs for unemployment insurance, health insurance, pension premiums, etc. from employers to other parties, in particular employees (Heilbron and Quak 2012, 143; Hacker 2006).

Within the national field and for employees not in the top management there has been a trend towards decentralising, described by some in US academia as restructuring, to individualized negotiation of pay and benefits, the decentralization of authority and the

decay of both collective and individual employment rights (Kelly and Kalev 2006, 2). The restructured workplace is considered to have replaced the legalised workplace, in which the employment relationship was formalised, uniform treatment of employees key and the power of individual managers thus limited (ibid, 5). To a lesser extent, this trend has in Europe too led to many human resources practices being devolved to line managers (den Dulk et al 2011, 302). Overall, the trend towards restructuring is seen as the main influence in weakening the position of employees in the workplace and on broader company affairs (Quak et al 2012).

### **2.3.2 Occupational status and industrial relations**

Other socio-economic developments have also contributed to the weakened status of the employee in relation to the employer. Greater career individualisation and the decline of the job-for-life are often considered liberating features of the modern economy, but they have also undermined opportunities for organised labour to counterbalance shareholder maximisation practices. The consistency and stability of occupational status contributed significantly to the emergence of a community of interests among workers, often expressed through trade unions. This status only ever applied to a portion of workers and yet became a reference for other categories of workers, and created a scope for bargaining (Supiot 1999).

The collective basis for industrial relations has dwindled in recent years with a massive decline in the proportion of employees covered by collective agreements or trade union membership (Deakin and Whittaker 2007, 1). This has allowed employers more flexibility in labour relations and the organization of work, and contributed to a power relationship between employers and employees that hinges on the conditions of the labour market (Kelly and Kalev 2006, 10). Instead of promises of employment security, firms seek to attract, retain and motivate employees through more contingent 'quid-pro-quo benefits' depending on the value offered by the individual (ibid). Thus valued members of the workforce have improved their position, for example through considerable salary raises, bonuses and other benefits, whilst middle and lower level employees have lost out (Heilbron and Quak 2012, 147). As a result of this pattern of polarisation, income inequality has grown significantly in the US and other industrialised economies since 1980, the proportion of contingent employees has increased, and job security has declined (ibid; Bonoli 2007, 496).

The position of low-skilled workers has further suffered from deindustrialisation and the shift in focus from the industrial sector to the service sector. Although the consequences of joblessness and difficulty reintegrating former industrial workers in the service sector labour market are temporary and transitional, there are also longer-term risks involved. In the manufacturing industry in the post-war years low-skilled workers could benefit from productivity increases through technology and strong trade union presence, such that their wages rose in line with other jobs. The low-value-added service industry in which low-skilled individuals are mostly employed in today, such as retail, cleaning and catering, often provide little scope for productivity increases and high exposure to market mechanisms. These developments leave low-skilled individuals more exposed to the risk of poverty, as even paid employment is not a guarantee of a poverty-free existence (Bonoli 2007, 496-499).

Furthermore, 'atypical' forms of employment have come to characterise many peoples' working lives, either through temporary contracts, agency work or involuntary part-time employment (Dekker 2012, 72). The growing need for functional flexibility to adapt to changing conditions in the labour market particularly disadvantages low-skilled individuals (ibid). This has been linked to the fact that, while a significant proportion of employees have long-term job stability, the new economy is nevertheless characterized by a perceived growing uncertainty (Perrons et al 2005, 57).

These welfare losses are subsumed under the term 'new social risks', which, as described in the last section, have been addressed at a sluggish pace by many European welfare states. These risks are centred "not so much on interruptions to earnings as on access to stable employment and management of work-life balance" (Taylor-Gooby 2004, 46). The changes in the conditions under which people live and labour have made it difficult to realize equal opportunities or family-friendly policies as people feel under pressure not to exercise their entitlements to breaks, time off, or holidays (Perrons et al 2005, 53). A growing sense of insecurity and uncertainty leads to greater incentives and pressure to establish dual-earner families (Hobson 2011, 152). Meanwhile, HRM practices encourage often employers to regard families as unwelcome appendages of their employees, taking up time and effort which could otherwise be directed to the job (Evans 2000, 3).

In the context of these numerous developments, CSR can theoretically provide a much-needed counterbalance by embedding the concept of stakeholder orientation within company structures and processes. By seeking out stakeholder engagement, companies

should be able to better understand the negative implications of these developments and have a rationale and form in which to address them. Companies' willingness to re-embed business in society and prioritise the interests of their stakeholders in the form of CSR measures therefore offers the potential of a better future for many employees.

## **2.4 What is work-life balance and how can it be achieved?**

Although the phrase 'work-life balance' has received considerable attention in recent years and become a reference in every-day language, there is no one accepted definition in literature on the topic (Frone 2003). It is typically defined in negative terms, as an "absence of conflict" between the work and non-work domains (McMillan et al 2011, 13). For example, one oft-cited definition is "the ability of individuals to pursue successfully their work and non-work lives, without undue pressures from one undermining the satisfactory experience of the other" (Noon and Blyton 2007, 356).

As such, work-life balance is closely related to work-life *imbalance*, or, as it is more commonly referred to in the literature, work-life conflict (McMillan et al 2011, 10). This conflict is conceptualized as bidirectional, incorporating both the interference of work with non-work life and vice versa (Kelly and Moen 2007, 488). However, most of the literature addresses the former (Morris and Madsen 2007, 444), which is widely considered more extensive (Frone 2003). Although it is not inferred by the term itself, work-life conflict often refers to difficulties in combining work and family life, particularly as a parent of dependent children. Work-family conflict has been linked to a number of mental and physical health issues, including depression, anxiety, problem drinking, unhealthy eating habits and lower self-reports of overall health (for an overview of studies see Kelly and Moen 2007).

Apart from the lack of universal definition, the concept of work-life balance faces another key issue: the assumption that work and life should be considered separate spheres, which is not always possible or necessarily preferable. Furthermore, balance will mean different things to different people at different times in their lives and certainly does not imply that time and energy should necessarily be split equally between these spheres (Perrons et al 2005, 53). The manifold different possible interpretations of the term thus make any expansion of a basic definition or consensus on what constitutes a measure of balance difficult. Nevertheless, as a right enshrined in Article 8 of the European Convention on Human Rights<sup>1</sup> and increasingly high on the agenda of employees (e.g. Wood, Menezes 2010, 1575) it is an issue that cannot be overlooked.

<sup>1</sup> Everyone has the right to respect for his private and family life, his home and his correspondence", European Treaties, Strasbourg, Council of Europe Publishing, 1998, vol 1

Indeed, the term 'reconciliation of work and family life' has been in EU policy texts over several decades (Eurofound 2006). This reflects an understanding that work-life balance is not merely an individual issue, or even limited to an employer level, but an issue with wide-reaching consequences on a macro-economic and social level. Quite apart from health-related costs to society and the economy, an inability to reconcile work and family life causes parents to exit from the workforce, in particular women, or for them to have fewer children than otherwise. As many industrialised nations are experiencing both declining fertility and decreased labour supply combined with an ageing population, this issue has become all the more important (Brough et al 2008, 265). The OECD echoed this concern in their report series, *Babies as Bosses*: while "family friendly policies are a goal in themselves, because they can increase the living standards of parents and children, they will also allow aggregate labour supply and employment to be increased" (OECD 2002, 5).

With people living longer, more recently 'work-life balance' has also been used to address the issue of older workers transitioning into retirement. This refers to people who may no longer be able to achieve adequate work-life balance in full-time employment, but still have productive ability (European Commission 2010b, 33). As expressed in the European Commission's Europe 2020 strategy paper, "Inclusive growth [...] is about ensuring access and opportunities for all throughout the life cycle. Europe needs to make full use of its labour potential to face the challenges of an ageing population and rising global competition. Policies to promote gender equality will be needed to increase labour force participation thus adding to growth and social cohesion" (European Commission 2010a, 16). Awareness has also increased on a national level that reconciliation practices can help reduce labour shortfalls, and in the past decade encouragement of these has come to the forefront of employment policies in many countries, with targeted strategies aimed especially at female and older members of the population (Brough et al 2008, 265; Wood, Menezes 2010, 1575).

#### **2.4.1 Motherhood and work**

Women retain the bulk of the responsibility for child and dependent care in Europe, whilst there remains a predominance of men in full-time employment (Eurofound 2011a, 3). A perceived inability for mothers to balance work and childcare can lead to women considering parenthood and a career as an 'either-or' situation. As a result, perceptions of

work-life conflict contribute to two issues: lower fertility rates and lower female participation in the labour force.

Fertility rates have stagnated in many European countries, which often cannot be explained by economic pressures and perceptions of risk – those not having children are likely highly educated, often with resources (Hobson 2011, 150). Instead, a significant body of research suggests that these low fertility rates reflect rising expectations for gender equality in the family and at work, and the inability to reconcile these (Hobson and Fahlen 2009, 216). The implication is that couples are having fewer children than if there were real agency freedom. Although women often continue to take the bulk of the child care responsibilities, most of them enter the labour force after having children for economic reasons, as an increasing number of families can only reach an acceptable standard of living when both parents generate an income (European Commission 2009, 32).

Difficulties in combining parenthood and work are closely related to the gender equality movement. The initial impetus for discussion of WLB was based on helping women participate in the labour market and was thus closely tied to the equal opportunity agenda (Wood, de Menezes 2010, 1575). Feminists were also responsible for promoting the discussion of the gender division within families and the significance for women and their careers (Eurofound 2006). Indeed, feminist legal scholars have more recently argued that, as women are still more likely to have extensive child and dependent care responsibilities in families, 'standard' work practices such as full-time work with set hours disproportionately disadvantage women and can be considered discriminatory. Similarly, the European Union Part-time Work Directive developed from the argument that, given women's disproportionate placement in part-time work, unequal treatment of part-time workers is a form of indirect sex discrimination (Kelly and Kalev 2006, 8-9).

On the part of governments, traditional state support for the family as a unit has sometimes contradicted measures to support mothers in employment and undermined women's real choice. In this way they have, for example, combined measures encouraging women to stay at home, such as significant tax incentives for full-time mothers, with those encouraging them to take up paid employment (Eurofound 2011a, 3; Hobson 2011, 154). More recently, they have sought to remove obstacles to women's participation, including WLB problems and financial limitations (Gregory, Milner 2010, 35). One issue that remains difficult in many countries is finding affordable childcare: where

there is not enough to meet demand, such as has been the case in Germany, women may be forced to miss out on career opportunities. Limited opening hours and lack of slots are thought to be responsible for only 53% of mothers returning to work after the leave period in West Germany as of 2000 (Heywood, Jirjahn 2009, 123).

Although there are significant differences in male and female employment rates between EU member states, the presence of children decreases labour market participation in virtually all countries, while the presence of children usually has the effect of increasing male labour market participation. This is also reflected in the reasons given for part-time working according to gender: care of children and incapacitated adults accounted for 42% of female part-time workers and only 8% of male part-time workers. For men, the main reason for working part-time was the lack of a full-time job, which accounted for 43% of cases as of 2006. (Eurofound 2011a, 2-6)

On a firm level, the implication is that employers should no longer assume that male employees have a female homemaker who is fully responsible for reproductive care, but incorporate a dual-earner or one-and-a-half-earner household model (Seeleib-Kaiser and Fleckenstein 2009, 747). European-based research has demonstrated the link between the provision of family-friendly initiatives and both increased fertility and labour-force participation (Brough et al 2008, 265).

#### **2.4.2 Fatherhood and work**

Though work-life balance policies may at first have addressed women, empirical studies of household strategies reveal that what fathers do affects what mothers do and vice versa, so that policies addressing fatherhood and men's work time and caring time for their children cannot be divorced from policies aimed at mothers' reconciliation of employment with family life (Hobson and Fahlen 2009, 216). In spite of dramatic increases in women's labour participation and some proactive state policies to increase men's share of carework (most notably in the Netherlands, Norway, and Sweden), time budget studies show surprisingly little change in the amount of unpaid work in the home men do (ibid). Some research shows that women's hours of unpaid work have decreased; however, this does not reflect men increasing the number of hours devoted to domestic tasks (ibid, 217). This naturally has an impact on companies: comparative European research has suggested that change in gender relations progress from home environments and are brought into job environments, although the process is bidirectional and dynamic (Holter, 2007).

Nonetheless, rising expectations of men to be active fathers and greater labour participation of women raises the potential for work-family conflict amongst fathers in their own right (Hobson and Fahlen 2009, 216). More modern research suggests that men's labour market behaviour cannot, any more than women's, be considered apart from family organization and conditions. Thus, as one academic expressed it, we need to move beyond an image of men as "disembodied," "non-encumbered," or "neutrals" in their work (Holter 2007, 426). This view has also received some recognition beyond academia, with continental European countries joining the Nordic forerunners in establishing the principle of joint parenting through parental leave schemes and the introduction or extension of paternity leave (Gregory, Milner 2011, 38).

### **2.4.3 Older workers and retirement**

More recently still, the term work-life balance has also been extended to incorporate the needs of older workers and opportunities for a gradual transition into retirement – although this is not yet common (European Commission FWA 2010, 33). The motivation to retain older workers through facilitation of work-life balance has on a macro-level, again, two facets: the health and well-being of the employee and their input as part of the labour force. Since the 1970s, the proportion of men aged between 55 and 64 in paid employment decreased dramatically, from approximately 80% to 30% across all OECD countries (Walker 2005). At the same time, it has been estimated that European labour force demands require the retention of at least 50% of older workers in employment (Brough et al 2008, 266).

The main reason for the decline was the promotion of early retirement plans by both governments and employers (Brough et al 2008, 265). Similarly to government policy regarding families and supporting mothers, state support of early retirement for various reasons (for example as a solution to youth unemployment, to help employers 'downsize' in recessions) has encouraged older workers to leave the labour market rather than adapting their working patterns to better suit their needs. This has been counteracted more recently by a number of countries (Germany, Slovenia, Finland and Sweden) providing regulation referring to part-time retirement (European Commission 2010b, 33). Research has also pointed to age discrimination as a key obstacle facing older workers, in particular underestimation of their ability to perform some physical and cognitive tasks (EOC 2006). The same review also reported that many older workers would choose to stay with their current employer if a reduction in working hours was permissible.

## **2.5 Work-life balance policies in HRM**

Work organisations have an undeniably crucial role to play in providing a framework to help individuals negotiate their own form of WLB (Gregory and Milner 2010, 35). In response to the complex of societal and institutional changes mentioned and high levels of perceived work-life conflict (see 2.1), employers have begun to implement a range of policies to aid employees. In many European countries individual firm arrangements constitute the main framework for work-life balance provisions (European Commission 2010b, 37).

Firm policies designed to aid work-life balance can be put into four categories: flexible work arrangements; leave arrangements, either paid or unpaid; dependent care assistance, providing or subsidising care for children or the elderly; and other assistance, such as access to information and programs for stress management or health (Frone 2003; Brough et al 2008, 262). Even forms of support such as practices to maintain contact during the period of parental leave, including informal meetings, invitations to company events or further training, can help improve the quality of workers' leave and are thus considered work-life balance policies (Heywood and Jirjahn 2009, 131).

In different terms, family-friendly practices can be categorised according to whether they help relieve workers of family responsibilities, such as support of childcare, or whether they help workers to fulfil family responsibilities, such as flexible working times. Practices in the first category have been criticised for promoting the norm of the 'ideal worker' who maintains high levels of work effort and work hours and leaves unpaid household work and care to others (ibid 2009, 123; Kelly and Moen 2007, 488).

### **2.5.1 Flexible Working Time Arrangements**

Flexible working time is considered the most important means of enabling WLB at a company level and has come to form the core of firm-level policy on WLB (European Commission 2010b, 37; Eurofound 2013b, 19). The introduction of flexible scheduling has been found to significantly reduce somatic complaints and personal stress in workers and lead to a heightened perception of control and of work-family balance (Glass and Finley 2002, 318).

Flexibility of working time is one of a number of work-related factors that contribute to WLB, which also include length of working hours, work intensity and flexibility of working

location. Flexibility of working place is a relevant factor, which is nevertheless insufficiently covered by current European-level statistics, which do not distinguish between professional 'multilocational' employee to teleworkers and (poorly paid) manual homeworkers (European Commission 2010b, 25). Length of working hours commonly fall under national regulation and thus reflects firm policy less. In contrast, flexible working time is typically negotiated at the firm level, independently from statutory regulation or systems of collective bargaining (ibid, 7-8). At the end of the twentieth century the emphasis of regulation shifted from shortening the full-time working week to encouraging more flexible and individualised working hours (ibid). This has involved allowing firms to develop tailor-made solutions within the boundaries of a commonly agreed framework. Flexible scheduling is often preferred over shortening of working hours, which many employees cannot afford (Glass and Finley 2002, 318). Furthermore, it offers more potential from an equality perspective, as it may in principle be based on both men and women working full-time (European Commission 2010b, 53).

The capacity for employees to determine their working hours can be realised through a range of practices, which account for large differences in the extent of flexibility offered (Kelly and Moen 2007, 490). The main forms are:

- part-time work;
- reduced hours, which allow people to trade income for time off;
- term-time contracts, which allow employees to remain on a permanent contract as either full or part-time employees, but gives them the right to unpaid leave during school holidays;
- compressed working week, where weekly hours are compressed into fewer days than normal, for example a four-day week;
- flexitime, which allows employees to vary their working hours within specified limits (core hours) from day to day;
- hour accumulation, which allows employees to spread out working hours within a week, month or year

(Eurofound 2011a, 7; 2013b, 19)

The last example, hour accumulation, can often be found in the form of annualised hours, combined with other flexible working time schedules (European Commission 2010b, 24). In general, a limit to the accumulation of hours is set, and the possibilities for taking credit hours off, with some not allowing whole days off to be taken, and others incorporating longer periods off (Eurofound 2011b, 3). A 'time corridor' of shared working time is typically

defined, whilst the beginning and end of the day can be chosen by the employee. Practice also varies on procedural questions: the period of notice that must be given, whether the supervisor's permission is required or arrangements are negotiated within a team, and finally, to what extent these wishes can be overruled by company needs (ibid). These different aspects mean that there is a quite a degree of variance in the autonomy granted to employees within the bounds of those that offer flexible working time arrangements. Not to be overlooked are also informal company-level arrangements, such as individual agreements about starting and ending times for workers with special requirements (European Commission 2010b, 37).

### **2.5.2 Meaning of time and flexibility**

Whilst flexible working time arrangements have the potential to help mediate a better individual WLB, negotiations over time, as the heart of the employment relationship, have wider implications (Rubery et al 2005, 90). In wage employment, time is both a measure and a limit to the amount of work done, and thus crucial to the organisation of employment relationships (Supiot 1999, 37). Under the industrial order, working time was experienced as 'subordination time', allocated to the employer in exchange for a wage and distinguished from 'free time' (Supiot 2001, 64). Indeed, the development of standardised work schedules was fundamental not just to the organization of workforces, but to the understanding of time in both the public and private spheres (Supiot 1999, 37). The risk under post-industrial conditions is that social and unsociable hours of work become indistinguishable and thus that as a society we lose time that is social or collective, when it can be expected that almost no one will be performing paid work (Rubery et al 2005, 105). The expansion of the time when people might work creates new areas of conflict in the balance of paid and non-paid work, and specifically in the question of how people should be rewarded for non-work time devoted to care (ibid, 90; Perrons et al 2005, 58).

It is not surprising, then, that many European trade unions have historically been wary of flexible working arrangements and the threat that they pose to the standard employment contract by causing fragmentation (ibid, 94). In this light, flexible working arrangements contribute to the further individualisation of career profiles described in 2.3.2 and undermine the already weakened potential for collective bargaining.

Moreover, the umbrella term flexible working arrangements encompasses both employee-led and employer-led constructs. Where the term flexible is used here, it refers to what has also been termed 'schedule control' (Kelly and Moen 2007, 491) – employees' ability

to determine how many hours they work and when. Flexibility, however, also refers to practices introduced to fulfil employers' needs, including contract work, temporary work, annualised hours independent contracting, shift work, involuntary part-time work and home-based work without the option of working elsewhere (ibid, 490; Fleetwood 2007, 389). These arrangements can bring business benefits in reducing fixed labour and benefits costs while meeting production goals, and thereby enable firms to remain competitive in increasingly global product markets (Perrons et al 2005, 58). As Supiot (1999) points out, recourse to these models of work organisation may reflect a simple strategy of skirting around labour law to reduce costs in a traditionally low-value-added sector, or it may reflect innovative strategies in high-skill sectors. In other words, it can entail either belittling or magnifying the importance of human resources – thus providing a challenge for those entrusted with maintaining the balance between occupational autonomy and protection within the employment relationship (ibid, 34). For employees, being forced into flexible working conditions may cause additional stress, unpredictable or insufficient income flows and job insecurity (Kelly and Moen 2007, 490).

The issues raised about the introduction of flexible working arrangements point to a key shift in mindset required to ensure a positive development. Time must be conceived of not only in terms of working time – as a measure of the trade of labour for pay – but also as the subjective experience of the employee (Supiot 1999, 38). Understanding the pressures placed on both men and women to have careers and be active carers is an important part of viewing employees as 'whole people' within CSR. The field of human resources and working arrangements can therefore greatly benefit from the corporate social responsibility movement and its mission to place the interests and needs of employees at the centre of corporate strategy.

### **3. Empirical evidence on WLB levels, WLB policies and CSR addressing WLB**

There is the potential for CSR to have a significant influence on employee-friendly practices, including the introduction or improvement of work-life balance policy. As shown in 2.1.1, businesses' orientation towards employee stakeholders as recipients and not just deliverers of company objectives is central to the concept of responsibility laid out in CSR literature. This means that employee well-being should be taken seriously as a key tenet of CSR. As shown in part 2.4, greater orientation towards employee needs necessarily means recognition of possible work-life conflict, which has become an ever more important issue in the last few decades. CSR is an internationally recognized and

increasingly institutionalized change process (Matten and Moon 2008) that has the potential to provide important support to the work-life balance agenda across Europe and accelerate more widespread acceptance of work-life balance policies. The question is: is it living up to this potential?

### **3.1 EU Surveys**

In this section, I analyse EU surveys in order ascertain the state of WLB and FWA in Europe today. These have only relatively recently been introduced into large European-wide surveys, but it is now possible to assess a range of employee outcomes and the rate of change over the last decade. I do this using data from two worker surveys, the European Quality of Life Survey (EQLS) and the European Working Conditions Survey (EWCS), which both interviewed over 40,000 workers across Europe, and the Eurobarometer 247 survey on family life and the needs of an ageing population, which had a sample size of over 20,000. In order to compare this to the company perspective, I also review data from the European Company Survey (ECS), and analysed the CSR reports of the companies in the FTSE4Good Europe 50.

Using this data, I look first at the extent to which employees in Europe have difficulties with WLB and the extent to which these have improved over the last ten to fifteen years, which should show outcomes of firm-level policy. Secondly, I look at the extent of FWA provision and the characteristics of employees to whom they are available. The next section will go on to look at the company perspective and show the extent to which companies address WLB within CSR and the manner in which they do so.

#### **3.1.1 How many workers are have difficulty with WLB?**

The survey statistics confirm that a considerable proportion of EU employees struggle with work-life balance issues. Through the EWCS we have a picture of perceived work-life balance – in terms of how well interviewees feel their working hours fit with their family or social commitments outside work – over a ten year period from 2000 to 2010. Looking at the responses across the EU12, the number of employees indicating that their hours fit not very well or not at all well remained relatively stable at just under one fifth (from 19.3% to 18.9% in 2010). When the WLB question was framed not in terms of hours but of achieving balance, the Eurobarometer survey (2008) found the proportion reporting difficulties was a great deal higher – covering over half of all responses. Asked how difficult it was for them to find the right balance between work and family life, 14% reported it was very difficult and 37% fairly difficult. By far the most significant variable in

the Eurobarometer survey was geography: at one end of the spectrum, approximately three-quarters of respondents in Hungary and Portugal reported difficulties reconciling work and family life, whilst in Finland only 20% reported difficulties (p.5).

The EWCS findings show little evidence of women profiting from family-friendly policies in terms of work-life balance, which might perhaps be expected, given that work-life balance policies were initiated for and are still concentrated on mothers. The proportion of female employees who expressed discontent with how their working hours fit with non-work commitments remained constant over the period 2000 to 2010 in the EU12 region (16.1%). In the same period, the percentage of male employees reporting a bad fit was consistently higher, but dropped slightly from 21.8% in 2000 to 21.4% in 2010. While this may appear to contradict the greater likelihood of women to struggle to balance work and family responsibilities, the reality is that many more women tailor their working lives to adapt to domestic demands, often by leaving the labour force or working part-time (Eurofound 2010, 4). This explains why, when the results are broken down according to age groups, women experience less dissatisfaction, but on a constant basis over their careers, whilst men are most likely to experience problems with their work-life balance in the age category 30 to 49, when they are in the middle of their careers and often raising a family. If family-friendly policies for employee welfare had been realised on a wide scale, this should have resulted in lower rates of work-life conflict in particular amongst women, as women working full time are more likely to have main childcaring responsibilities than their male counterparts.

In fact, whilst the proportion giving negative responses to work-life balance marginally decreased over the ten year period in the EU12 (19.3% to 18.9%), it rose in the age group 30-49 (from 20.5% to 21.2%). The 2012 EQLS revealed an even higher propensity for difficulties among the age group 35-49, with 27% of men and 23% of women reporting that their working hours fitted 'not very well' or 'not at all well'. Given that this is the age group most likely to have child-caring responsibilities and thus the main beneficiary of work-life balance policies, this indicates that WLB policies are failing to have an impact on those that need them most. If we factor in the number of women who have partially or fully exited the labour market to avoid work-life conflict on top of this, we have a significant challenge for employers addressing this issue.

### **3.1.2 How many workers have access to WLB policies?**

Moving on to the question of WLB policies, the surveys give a perspective on the proportion of workers for whom these are available. The 2013 ECS employer survey paints a highly positive picture: 65% of establishments with 10 or more employees offer flexibility on daily start and finishing times according to personal needs to at least some of their employees. This demonstrates a considerable rise from the 48% who answered the same to the question in the comparable 2004-2005 ESWT. Again there are dramatic differences between EU countries: in Croatia it only applies to 30% of employers, whilst for establishments in the Nordic countries and Austria this figure rises to 80% or more. Looking at more extensive flexibility, 69% of establishments have a policy to allow accumulation of overtime for days off. The relative strength of large establishments in providing this form of policy (81%) appears to confirm the suggestion that hour accumulation policies that allows for days off are easier to manage in larger organisations (see 4.2).

Yet, the EWCS employee survey appears to depict the opposite trend: over the period 2000 to 2010 there was an increase in the percentage of workers who reported that their schedules are controlled solely by their employer, rising from 55.1% to 58.7%. At the same time there was a concomitant decrease in the percentage of those with various flexible options, including the choice between several work schedules (10% to 8.3%), adaptable working hours within certain limits (17.8% to 16.4%) and entirely self-determined working hours (17.1% to 16.6%). This trend was found to be true across gender categories, age groups, occupation and skill levels.

How is this reconcilable with the perspective provided by the ECS data? The consequence of these two sets of data is that there are a significant proportion of companies that provide flexible working arrangements to only a small selection of their employees. The question is then: who are the beneficiaries and are they those employees that can benefit most?

### **3.1.3 Which workers have access to which flexible working time arrangements?**

Looking at concrete forms of flexible working time arrangements, the 2012 European Quality of Life Survey provides information on the extent to which different basic forms of time flexibility are available, as well as which forms employees would potentially find beneficial. In total 43% of workers reported that they had some ability to vary their start and finish times, whilst 45% were allowed to accumulate overtime hours and take them off at a later stage, if not necessarily for whole days or longer periods.

One of the most significant variables in the data set is the income bracket: those in the lowest income quartile are considerably less likely than those in the highest to be able to accumulate hours (39.8% as opposed to 49.4%) or vary daily start and finishing times (38.1% as opposed to 52.4%). This has a relevance to work-life balance because those on a lower income have their agency in reducing to part-time work restricted by maintaining a basic standard of living and are thus more likely to seek flexibility as a solution to WLB issues. Looking at gender, the findings are similar to those in the 2010 EWCS, indicating that men tend to benefit more from these flexible arrangements. Women are less likely to be able to vary the start and end of their working days than men (40.1% as opposed to 45.%) or to be able to accumulate hours for time off (41.4% to men's 47.5%).

The survey findings also reveal significant variation between age groups. As far as the ability to accumulate hours is concerned, the age group 35-49 (43.4%) is less likely to benefit from this than either the groups 25-34 (45.6%) or 18-24 (47.8%). In contrast, the propensity to be able to vary start and finish times rises with age, as the group 35-49 (42.8%) is more likely to benefit than younger age groups but less likely than the category 50-64 (45%). In short, the survey again shows that the age category most likely to need flexible time arrangements as working parents are not those most likely to be able to make use of basic forms of flexibility. This corresponds to household analysis of the 2004 Labour Force Survey, which shows that EU employees aged 25–49 with children are less likely to have jobs with flexible working time schedules than those without children. This was found to be the case for both for men and women and the pattern is also found in countries with a high level of flexible working time schedules (Statistics in Focus 2007, 4).

Regarding the geographical variable, the survey data shows large differences between European countries with regard to access to different types of flexible working arrangements. The majority of employees in Europe do not have the option of pursuing a flexible working time schedule; only in Denmark, Sweden, Germany, Finland and Norway do the majority of employees say that they have this option available to them (Eurofound 2012b, 59). In Denmark and Sweden the proportion is over 60% of employees, with flexible daily start and finishing times and working time banking common in Denmark, and staggered hours particularly relevant in Sweden. Meanwhile, Germany has the highest share of employees with access to working time banking – a form of flexibility that is still

an unfamiliar phenomenon in the southern and eastern EU states. Here flexibility mainly refers to staggered hours and flexible daily start and finishing times, even where the latter are only available to less than 30% of employees in Bulgaria, Hungary, Slovenia and Slovakia (European Commission 2010b). This implies that companies are highly influenced by country-specific factors in deciding what form of flexible working policies to implement – an influence that is discussed further in 4.4-5.

Finally, the 2012 EQLS offers a perspective on how the situation could be improved, asking which potential changes interviewees would prefer if they were made available. Firstly, people in paid work were asked to consider how many hours per week they would prefer to work if they could choose freely, while taking into account the need to earn a living. On average, over 40% of workers would prefer to work fewer hours with a corresponding fall in pay. Extrapolating on the findings on work-life balance already cited, the age group 35-49 are most likely to desire fewer working hours (45,5%) and the proportion of men who wished this was 3.9% higher than that of women. In response to the question how useful certain working options would be to help work-life balance, many workers considered having more control over work start and finish times would be 'very useful', with slightly more female respondents (35%) than males (32%) answering this.

In summary, the European survey data depicts a situation in which there has been a significant rise in the number of firms offering flexible working time arrangements for their employees, but this has not yet had an impact on the one fifth of workers who struggle with their work-life balance. Looking at the statistics on the workers who have access to flexible arrangements, this hardly seems surprising: of all employees, neither women, not those in lower income brackets, or those in the age group 35-49 are most likely to have access to WLB policies, despite indications that they would benefit from such arrangements.

### **3.2 Evidence from CSR reports of supporting employees and work-life balance**

In order to gain an insight into the employer perspective on work-life balance and the extent to which it is prioritised within the CSR agenda, I analysed a set of CSR reports from the FTSE4Good Europe 50 companies. As the main form of information about firm-level CSR, annual CSR reports are an ideal means to establish the level of support that work-life balance policies receive in an easily comparable form. The Global Reporting Initiative (GRI) accounts for 7148 companies currently (as of February 2015) issuing

these form of reports, up from just 44 in 2000 (GRI 2015a). The trend is much more pronounced among large companies: of the 250 largest companies in the world, 93% issued separate sustainability reports as of 2013 (KPMG 2013, 11). What the GRI refer to as 'sustainability reporting' "is a broad term considered synonymous with others used to describe reporting on economic, environmental, and social impacts (e.g., triple bottom line, corporate responsibility reporting, etc.)" (GRI 2015b). I have thus considered all types of CSR report in my analysis, regardless of the report title adopted. What these reports have in common is their disclosure of organisational performance towards the goal of sustainable development as a form of accountability to internal and external stakeholders (ibid). In a few cases the companies issued integrated reports, a single document presenting both the company's financial and non-financial (environmental, social and governance) performance over a year (Eccles and Krzus, 2010).

The FTSE4GOOD indices present the FTSE-listed companies with the strongest environmental, social and governance (ESG) performance. The FTSE4Good is considered one of the most important indices in the field of socially responsible investment vehicles (Fowler and Hope 2007, 243). For my analysis of European-based company CSR reports, I used the FTSE4Good Europe 50 to provide a data set. I excluded two companies from the list, which are holding companies for two other companies on the list, reducing the data set to 48. As would be expected, almost all of the organizations in the sample (with the exception of Ageas, the smallest company by stock capitalisation) published some type of information related to ESG performance in the form of a CSR or integrated report for 2013.

The key limitation to this method of data analysis is that not all employees of European-based companies are based in Europe and are therefore outside the range of this study. However, where country-specific WLB measures are detailed in the reports, in all but three cases the countries referenced are all European, which would appear to confirm that the issue is considered more relevant to European employee stakeholders than their counterparts especially in less economically developed countries.

Reflecting the current trend, the reports most commonly used the term sustainability in the title of their report (in 17 cases). A further nine companies used an integrated report, explicitly referring to the fusion of financial and non-financial reporting. The breadth and depth of the reporting was highly varied not just between integrated and separate CSR, indicated not least by the length, spanning from Total (33 pages) and Statoil (44 pages) to

Nestle's Shared Value report of over 400 pages. This obviously affects the detail given on all CSR issues, including WLB. Table 1 provides an overview of which companies made reference to which topics and/or measures related to WLB in their reports.

**Table 1: Extent to which company CSR reports address WLB**

<b>Company</b>	<b>Addressed</b>	<b>WLB</b>	<b>WLB advice/support measure/s</b>	<b>Existence of FWA</b>	<b>Concrete FWA measure/s</b>	<b>Target-setting on WLB</b>
AGEAS SA/NV						
Allianz		X		X	X	
Assicurazioni Generali		X		X	X	
AstraZeneca		X*	X			
AXA		X		X	X	X
Banco Bilbao Vizcaya Argentaria		X		X	X	
Banco Santander						
Barclays						
Bayer AG		X	X	X	X	
BMW		X	X	X	X	
BNP Paribas		X*	X			
BP		X*				
BT Group		X		X	X	
Carrefour		X	X	X	X	
Cie Financière Richemont		X		X		
Credit Suisse Group		X	X	X	X	
Deutsche Bank		X	X	X	X	
Deutsche Telekom		X				
Diageo		X		X		
LM Ericsson		X	X			
GlaxoSmithKline		X	X			
HSBC Holdings		X	X	X		
ING Groep		X				
L'Oréal			X	X		
Lloyds Banking Group		X	X	X		
LVMH		X	X	X	X	
National Grid						
Nestle		X	X	X	X	
Nokia						
Nordea Bank		X				
Novartis						
Philips				X		

Prudential	X*				
Reckitt Benckiser Group					
Roche	X	X	X		
Royal Bank of Scotland	X	X			
Royal Dutch Shell A			X		
Sanofi-Aventis	X	X	X		
SAP	X	X	X		X
Société Générale	X		X	X	
Statoil	X*				
Telecom Italia	X				
Telefónica	X	X			
TOTAL	X*	X			
UBS	X	X	X	X	
UniCredit	X	X	X	X	
Unilever plc	X	X	X		
Vodafone Group	X	X			
<b>Total</b>	<b>38</b>	<b>24</b>	<b>26</b>	<b>15</b>	<b>2</b>

Source: FTSE4Good,

2015

As Table 1 shows, the vast majority of the reports (38) mentioned work-life balance as an issue, showing that it has achieved widespread recognition as an important issue with CSR. In most of these cases, the exact term is used; however, some companies (marked \*\*) refer to the related concepts of work-related stress, psycho-social risks, or, in the case of Prudential, “work/life effectiveness”. Work-life balance and these related concepts have a particular significance as the main form in which most of the reports referred to employees as ‘whole people’ rather than just as workers, or, in other words, implied a responsibility for the employee beyond their working lives. Equally, the ten companies that didn’t mention WLB also failed to address employees welfare beyond immediate working conditions, e.g. accident rates.

The manner in which WLB and employee welfare in general were addressed reveals an overwhelmingly instrumental view of policies in this area as a means to achieve higher business performance:

“For our employees to be motivated and for BP to thrive, our people need to be treated with respect and dignity” (BP)

“We want to ensure that people have the ability to manage stress, balance their personal and professional lives, perform at their best, and thereby help drive our innovation” (SAP)

“Having sufficient time for learning is a key challenge as employees try to balance demanding jobs with family, friends and leisure activities” (Ericsson)

“Happy employees make for loyal customers” (Carrefour)

Thus while employees are clearly recognised as stakeholders by these companies, reflecting the standpoint of the literature, this does not necessarily mean that they are considered end recipients of stakeholder value creation. Rather, work-life balance is depicted as an intermediary outcome that enables other outcomes, which may include both business value and value created for other stakeholders such as customers.

The reports also reflect the literature’s understanding of flexible working as a means to improve work-life balance, and with the exception of two companies (Philips and Vodafone), those that mentioned flexible working also explicitly referred to work-life balance. Vodafone was alone in using the term flexible working to refer to clearly employer-friendly flexibility, including rationalising office space and introducing ‘hot desking’. Only a few companies addressed flexible working in the same employee-focused section not under well-being but under the heading diversity, in the context of gender equality. This could be seen as a reflection of progress in companies seeing WLB and flexible working arrangements as not just ‘women’s issues’.

As far as what companies are actually doing in the field of flexible working arrangements, the information given by the reports is sparse. Although 26 of the reports state that they offer some form of flexibility, only 15 of these name any specific forms of flexibility on offer and fewer still make reference to the number of employees who actually have access to these measures. In only two cases do companies report strategic targets for the future rather than past performance (AXA and SAP). Added to this are a further seven companies who mention WLB but do not detail any specific policies for employees. Where the companies reveal little concrete information about their activities, a number of them make reference to external standards or awards as a form of assurance of their activities. As an extreme example, Telefonica does not directly state whether they offer flexible working arrangements or other WLB policies, but has a paragraph on their recognition by the organisation Mumsnet and lists a few firm characteristics, including flexible working, which may contribute to recognition. This relies on our trust of a third party organisation to

have made an objective assessment and leaves us guessing which policies they may actually have adopted.

Beyond FWA policies, half of the companies mention some form of initiative for offering support and guidance in the area of WLB. In many cases, this is a type of general counselling or workshop series on stress resilience; elsewhere, a few companies referred to support initiatives to guide employees on FWA opportunities and other WLB measures. Aside from informing employees of their options, this form of 'soft' support can be vital part of creating a supportive environment in relation to WLB issues and thus in reducing possible barriers to FWA policy utilisation, as discussed in 4.6.2.

It is also interesting to note the space and attention given to WLB and FWA in comparison to other CSR and, more specifically, employee-oriented initiatives. In this context, diversity is clearly prioritised over WLB or FWA, with most companies providing not just more qualitative information, but also statistics on the number of female employees at different levels and in some cases, company targets. Another area that is frequently assigned more space in the employee section of the CSR reports is employee engagement, including statistics and measures in this area. This can also be considered part of an instrumental view of employees within CSR. Further topics that some of the reports provide more detailed information on are employee benefit schemes, including health insurance, pension plans and childcare funding, and the number of employees covered by collective bargaining.

In summary, an analysis of the CSR reports showed that employee work-life balance, and flexible working arrangements as a means for improving this, are on the radar of the majority of the FTSE4Good Europe 50 companies. Whilst these companies have been recognised as leaders in the field of CSR, we might expect them to be more likely to have WLB policies in place and report on these than other large companies. However, it is important to remember that they have been acknowledged for their entire CSR performance, rather than their leadership in CSR for employee welfare. FTSE4Good criteria include performance in the areas labour standards and health and safety, but the exact criteria are not publicised and it is highly possible that they do not specifically weight WLB policies.

What the reports do not offer is a basis for any meaningful comparison of what different companies are doing in this field. This confirms the expectations of some academic

observers, who claim that the the bulk of what is reported is process, inhibiting our ability as readers to distinguish those who are realising change from corporate poseurs (Conley and Williams 2005, 15). Although the table above depicts a range from the 'poor' to the 'good' in reporting on these issues, it cannot be taken as a measure of performance, and it is entirely possible that a company that did not 'score' for detailing policies has extensive policies in place. What the reports do show is the the extent to which companies are prioritising WLB and FWA within the CSR field, which can generally be described as active but unfocused in comparison to other issues. For certain companies this may be because they have assessed that their employee stakeholders are less concerned with this issue, as is implied by the materiality matrix in the Telefonica report, which depicts WLB as having lower 'stakeholder relevance' than freedom of association or training. The factors that affect the likelihood that a company's employees will consider WLB policies important are discussed in 4.5.2. However, there might be other reasons for this that are based on employer rather than employee concerns, which I explore in 3.1-4.

#### **4. Factors in CSR's support firm-level work-life balance policies**

Despite the fact that the business world, including some of the largest employers in Europe, are paying attention to CSR and work-life balance as an issue within this field, they have thus far failed to improve the perceived WLB of the one fifth of workers struggling to reconcile work and private responsibilities. What is more, they do not appear to be addressing those who are likely to have less agency in improving their work-life balance: those with lower incomes, those aged 35-49 and women. The frequent instrumental depiction of employee welfare outcomes in the CSR reports analysed points to a possible answer why, but this needs to be explored in more detail. The gap between the growth of WLB policies and positive effects on work-life balance has two possible explanations: either the right policies are not available to all who desire them, or the right policies are available, but there are constraints influencing individual capabilities and agency to take-up these policies (den Dulk et al 2011, 301). The next part of this paper will probe the foundations for each of these explanations and thereby seek to answer the questions: what is impeding the improvement of employee work-life balance and what can companies do to address this?

Turning from a macroeconomic to an employer perspective, this part will explore the motivations to choose employee WLB policies over other investments, within CSR or otherwise. From this standpoint, it is a matter not just of whether WLB is an important

issue for employees in Europe, but whether investing in it will create the greatest possible value – either in the narrow shareholder value sense or, ideally, total stakeholder value.

#### **4.1 What is the business case?**

The 'business case' for CSR supporting WLB sets out the argument that investment in these measures will result in positive business performance outcomes. Regardless of other motivations to implement WLB policies, a company in a competitive market will have limited capacity to make investments in measures that will not produce some form of return. The question of the business case is thus a question of the size of financial return on investment that managers expect in order to consider a stakeholder issue worthy of attention (Margolis and Walsh 2003, 230). Moreover, there is a guiding assumption that real commitment and tangible benefits will arise only when the different partners in the business-stakeholder relationship can see a material or other practical incentive to get involved (Newell 2005, 545). This may be the key factor in ensuring that a policy becomes part of the company's DNA and survives changes in the market or in internal management.

As already intimated, there is cause to make a business case for both CSR in general and CSR towards WLB issues. The argument that CSR can fit into the predominant shareholder value model has been instrumental in enabling CSR to cross over into the mainstream of business strategy. This is what has enabled CSR to overcome the argument cited by its most famous critic, Milton Friedman, that "there is one and only one social responsibility of business — to use its resources and engage in activities designed to increase its profits" (Friedman 1962, 133). The business case argument for WLB policies is accordingly afforded the most attention in the management literature and is the main focus of theoretically oriented research on the subject (Seeleib-Kaiser and Fleckenstein 2009, 742; Campbell 2007, 946).

Analysing the breadth of research on the business case for CSR, Margolis and Walsh decried that is merely "self-perpetuating: each successive study promises a definitive conclusion, while also revealing the inevitable inadequacies of empirically tackling the question" (2003, 278). Already in 2003 the authors cited 127 quantitative studies on the topic, which failed to clarify whether the relationship between CSR initiatives and business performance is positive, neutral or negative. As they discuss, this has much to do with the nature of the studies, which have often overlooked the many contingencies that cause variability in returns to CSR (Barnett 2007, 795) and the subject of CSR itself, which

challenges researchers with its broad and abstract nature. Although the fact that the existence of a solid business case for CSR in general is disputed in the academic literature, there is a clearer business case for specific types of initiatives within CSR, which has been accepted by many companies.

The business case for work-life balance policies on a firm level rests on the assumption that such policies will attract and retain more satisfied, engaged and healthy employees, who will in turn positively affect performance (Harrington, James 2005, 669). On a theoretical basis it has been proposed that a relationship with stakeholders such as employees based on mutual trust and cooperation, i.e. with high social capital, can help curb opportunism in the contracting relationship and thus lead to competitive advantage (Andriof and Waddock 2002, 33). The reactionary increase in their share price after companies announced WLB initiatives observed by Arthur and Cook (2004) appears to suggest that shareholders credit this.

#### **4.1.1 WLB and organisational performance**

Empirical studies have tested the relationship between organisational performance and WLB practices, although conclusions are hindered by the fact that this umbrella term includes a wide range of different HRM practices, as detailed in section 2.5. The factors contributing to organisational performance and an employee's part in it are also complex, which means that direct empirical evidence of an association between WLB and bottom-line measures is somewhat limited (Wood and Menezes 2010, 1576). Brough et al (2008) conclude that direct evidence of a causal link between WLB policies and improved productivity is still lacking, even though they review research that suggests reduced levels of employee turnover, increased employee satisfaction, commitment and productivity, and decreased rates of physical and emotional disorders associated with work-life conflict. Amongst the outcomes of WLB policies that can be measured, productivity, absenteeism and turnover remain easier to accurately calculate than employee attitudes, commitment, loyalty, or work group cooperation (Glass and Finley 2002, 318).

Regarding flexible working policies, the 2011 European Company Survey provides a number of insights into the links to business performance. First and foremost, they find that all flexible working practices are linked to above-average productivity, as well as to improved productivity over the previous three years. Secondly, the survey results show that flexible working policies are closely related to employee absence, a factor that is especially relevant, when one considers that one out of seven establishments (13%) in the

EU cited problems with high levels of sick leave and it is a problem more often cited by larger establishments. Provision of flexible start and finish times each day and a proportion of at least 20% of staff using flexible working hours were significantly and positively associated with fewer absence problems. Control over working time made a particular difference in reducing the sickness absence rates of two male subgroups – manual workers and those with dependent children. This builds on the findings of previous research that suggests the provision of working time choice enables employees to balance their work and personal responsibilities and consequently improve attendance. For example, Ala-Mursula et al (2004) found that women with lower levels of control over working time have a higher risk of sickness absence than women with a high degree of working time control, which is likely due to the need to provide childcare when usual arrangements break down (Eurofound 2011b, 3-32).

When looking at the business case for FWA, a number of academics highlight the importance of employee perceptions towards the firm FWA implementation. Research by Eaton (2003) demonstrates that flexible working policies are only positively related with employee commitment where they are perceived as usable. Usability was also shown to have a positive impact on productivity. This finding implies that other research into the business case for flexible working policies could have been impeded by failing to cover perceptions of usability.

Perceptions of policy usability are related to more general perceptions of justice and ethics in the workplace: HRM practices such as flexible working policies are identified by employees as implicit codes of ethics and act as signals that the company is meeting their expectations of ethical conduct (Mason and Simmons 2013, 51). Research on employee justice perceptions have indicated that the perceived fairness of the working environment can affect absenteeism, job performance, citizenship behaviour and counterproductivity, as well as employee well-being outcomes such as job satisfaction and stress (Aguilera et al 2007, 840). An earlier survey revealed that perceptions of a firm's ethics were closely related to levels of commitment. Of employees surveyed who felt their firm's ethics were positive, 86% were strongly committed to their organizations, while only 14% of the respondents who did not regard the firm's ethics highly were similarly committed (Joyner and Payne 2002, 298).

#### **4.1.2 Attracting and retaining talent**

The growing competition for high-skilled labour, sometimes referred to as the 'war for talent' has become an ever present topic in management literature, as one business article advises: "the competition for good employees is becoming as fierce as it is for good customers. Just as you have to market to get new customers, you also have to market your organization as a place where great employees want to work" (Business Week Online, 2006). In fact, four out of ten European establishments (39%) reported difficulties finding employees with the required skills in the last European Company Survey and – despite the financial crisis – 10% of EU establishments still claimed they have difficulties retaining employees (Eurofound 2013b, 7). This challenge in supply and demand has significant implications for companies looking forward. According to a UK government report, the turnover of skilled workers due to insufficient work–life balance is equivalent to a cost of GB£126 million per year for British organisations (EOC 2005).

Businesses increasingly rely on high-skilled labour but lack the resources to train workers or reward their loyalty through employment stability; as a result, many have turned to other forms of workplace accommodation to attract and retain a high-quality labour force (Glass and Finley 2002, 314). In this context, companies that may have previously ignored employee complaints of work-life conflict now fight to become known as a family-friendly company (ibid). Attitudinal studies across Europe have shown that an overwhelming majority of both women and men claim WLB is a primary priority when considering job and workplace (Hobson and Fahlen 2009). This has become more relevant as younger employees – those born after 1980, collectively commonly referred to as 'Generation Y' – are more likely to demand more flexibility and better work-life balance (Guthridge et al 2008, 51).

#### **4.1.3 The short-term v. long-term business case**

As shown, there is a business case for employers to introduce WLB such as FWA in order to foster higher levels of commitment and lower absence rates amongst existing employees and attract valuable job applicants in a competitive labour market. If we assume rational economic actors and sufficient evidence that the costs of taking responsibility by providing WLB policies are outweighed by the benefits, the question arises: why would profit-seeking companies not have already introduced these measures out of business reasoning? If they have a pure profit motivation, does the term 'CSR' have any meaning in this context?

Indeed, the question of the right balance of motivations for CSR initiatives and the confusion that this leads to has been addressed by a number of authors in the management literature on the topic. As Rivoli and Waddock comment in their analysis of the “logical trap” of CSR:

If CSR activities are a profitable activity, then they are best described as 'intelligent operation of the business' rather than as 'responsible' behavior. If CSR activities are not profitable, then they cannot be undertaken voluntarily in a competitive market, and so must be imposed on all competitors using laws or regulations, in which case such activities are no longer 'CSR'." (Rivoli and Waddock 2011, 89)

Just as these two authors see a way out of the “trap” by means of reassessing the time dynamics of CSR, Porter and Kramer (2011) also challenge managers to redefine their horizons through their highly influential concept of Shared Value. They claim that many companies miss out on opportunities because “they continue to view value creation narrowly, optimizing short-term financial performance in a bubble while missing the most important customer needs and ignoring the broader influences that determine their longer-term success” (64). They provide examples of other companies that are “creating economic value in a way that also creates value for society by addressing its needs and challenges” (65). Indeed their apparently clear-cut concept of creating Shared Value has directly influenced various companies' interpretations of responsibility, such as Nestle, which now titles its annual CSR report 'Shared Value and meeting our commitments'.

The tension between CSR and short-term thinking in the business world is a recurring theme. As discussed in section --- managers are under intense pressure – and are greatly financially incentivised – to create the maximum value for shareholders in the short term. While CSR through its basis in stakeholder theory has been interpreted by some as an alternative to short-term shareholder value maximisation, in reality managers seek a way to fit new measures into the existing structures, processes and culture.

Thus the most relevant distinction that can be made here is not between the ethical and business case motivation for CSR towards employees, but between the short-term and the long-term business case. In essence, facing the demographic and climate time bombs, the longer the time frame that is taken, the more that societal and environmental issues become material to the company. If companies are willing to invest for the long-term in their employees, rather than just organising one-off awareness events or the like, both the company and their employees can benefit. As the return on investment for work-life balance measures in the long term is not easy to estimate, managers will inevitably

have to find a workable combination of instrumental and normative criteria, between measurable performance and beliefs ( Margolis and Walsh 2003, 230).

#### **4.1.4 Implications of the short-term business case for work-life balance**

As pointed out in 2.5, flexibility can be 'employer-friendly' or 'employee-friendly', and while these may converge, this is not necessarily the case (European Commission 2010).

Scholars have distinguished employer-friendly WLB practices as those that appear to be for the benefit of employee well-being while only indirectly enhancing individual WLB, if at all (Fleetwood, 2007; Heywood and Jirjahn 2009; Gregory and Milner 2011). For example, provision of on-site childcare may be motivated more by the desire to relieve workers of family responsibilities and encourage the work-focused 'ideal worker' rather than enabling work-life balance according to employee wishes. This is in contrast to policies that help workers to fulfil family responsibilities, such as flexible daily start and finish times, which have less direct benefits for employers (Heywood and Jirjahn 2009, 123).

Whilst on-site childcare may contribute more than flexible working policies to some individuals' WLB, the important factor here is that helping them to achieve work-life balance is not the primary motivation. This particular example is qualified by Heywood, Siebert and Wei 's research (2007), which found that periods of leave and flexible working schedules are associated with offsetting wage reductions, whereas provision of childcare is associated with higher earnings, all else equal. In other words, employers were found to be passing on the costs of more expensive leaves and flexible work schedules and absorbing the costs of policies that had a short-term business case, here the provision of child care.

If work-life balance policies are implemented as part of a short-term business strategy, for example in response to a particular labour market problem, it is unlikely that they will be founded on an underlying commitment to help employees obtain a balance between work and family obligations or that they will involve systematic adoption of practices (Wood and Menezes 2010, 1577). What are the consequences of this? The first implication, indicated in the example above, is that employees may not be offered the policies that would actually enable them to realise a better work-life balance. The second is that employers may offer desired and useful policies, but implement them in such a way as to maximise short-term business benefits and thereby inhibit the benefit to employees. This may involve restricting access to WLB policies to a section of employees or denying employees any influence over their design. Various scholars on work-life balance have

proposed that this is the main reason why, despite the increased implementation of WLB policies including flexible work arrangements over the last twenty years, their effects seem to be limited (Kelly and Moen 2007, 489; Hyman et al., 2003). In reality, in a period of global economic pressures and downturns, voting with your feet on the matter of work-life balance and appropriate policies is not an option for the majority of workers (Hobson 2011, 156), as discussed in 2.3.

#### **4.1.5 Managerial Discretion**

The primary way in which management can maximise the business benefits and reign in the costs of WLB policy implementation is to restrict the applicability to a part of their workforce, whose value to the firm justifies the expense (Evans 2000, 3). In employee terms, this practice exacerbates inequalities in the workplace, as these employees are also more likely to receive other benefits (ibid). Moreover, the employees most in need of WLB policies may be denied them, as was indicated by the European survey results. In some cases, employers specifically exclude certain groups of employees such as young women from policies, if they believe that they will result in higher costs than benefits. This means simply accepting the consequent high turnover rates amongst women with children, relegating them to positions of little authority or responsibility in the workplace and contributing to the so-called 'glass ceiling' in the representation of women in upper management (Glass and Finley 2002, 315).

More commonly, employers choose a select set of employees who are considered applicable for WLB policies on the basis of their value to the firm. As already discussed, the 'war for talent' is a particular motivation to adopt WLB policies, which may then be limited to those employees with skills that are in short supply in the labour market. This form of employer-friendly WLB can be realised through an intentional gap between centrally defined policy advertised to the public and the practice of line managers' discretion (Kelly and Kalev, 2006, 25). This results in many supervisors not allowing their workers to use family-friendly practices including flexible working schedules, even when they are formally offered by the employer (Eaton 2003). Managerial discretion over FWA was not explicitly stated in the CSR reports I analysed, but can be inferred from such statements as "where possible, we provide flexible working arrangements for parents" (Deutsche Bank).

In part, managerial discretion can be founded on the concern that high utilisation rates could lead to coordination problems and inadequate coverage of time-specific work tasks

(Kelly and Moen 2007, 490). This 'disruptiveness hypothesis' says that managerial decision-making will be influenced by whether they perceive work-life policies as a disruption to their department's ability to achieve results, for which they are rewarded (den Dulk et al 2011, 303). As managerial discretion shifts the decision from a formalized policy to an individual choice that may not need to be justified internally, it becomes harder for employees or indeed other stakeholders to comprehend the reasoning behind specific decisions and general adoption rates. As Kelly and Kalev (2006) analyse, employees' rights are thus reduced to the 'right to ask' for flexible working arrangements.

For managers the advantage of this is avoiding employees' sense of entitlement to certain arrangements. Instead they are offered in return for superior performance, essentially *quid pro quo*. Kelly and Kalev criticise the fact that in this situation workers who are in demand, either due to particular skills or labour market shortages, have scope to negotiate, whilst less valued workers do not. This use of flexible working as part of a case-by-case reward mechanism rather than as a uniform structure for the reconciliation of work-life balance can be seen as a reflection of the restructured workplace management regime described in 2.3. Only in one of the CSR reports analysed did the company specifically refer to FWA as part of a reward system, listing it as one of a range of options within their "benefit package" (Diageo). Otherwise the understanding of work-life balance policy as a reward was not transparently stated; rather they refer to the fact these policies are not suitable for all employees (Kelly and Kalev 2006, 4-25).

Other scholars go further by suggesting that the institutionalisation of enclave social policies specifically undermines the notion of social citizenship claimed by many corporations and the legitimacy of the private-public mix of welfare provision. In this context the relevant question is not whether companies offer work-life balance policies, but whether a generally accepted minimum standard is established (Seeleib-Kaiser and Fleckenstein 2009). Not only does this tendency towards the short-term business case have negative implications for employees as a collective, there is evidence that it undermines the business benefits for companies. In the research already mentioned, Eaton (2003) demonstrated that the perceived usability of flexible work-family policies is more significant for levels of employee commitment and productivity than the presence of formal or informal policies alone. Unfortunately there is not enough empirical research that goes beyond 'Do you offer flextime?' or 'Do you have a policy about flextime?' to probe real access to flexibility policies (Kelly and Kalev, 2006, 28).

An added problem is that it is often difficult for stakeholders to differentiate between companies that are prioritisation of short-term business objectives in implementing WLB measures and those that are making a more long-term commitment due to information asymmetry, which I will discuss next.

#### **4.1.6 The issue of motivations for CSR and communications**

The issue of managerial discretion in the implementation of WLB policies is thus an apt reflection of the broader issue of business case orientation in CSR. Companies have a right to multiple motives for adopting employee welfare policies and to seek shared value, but when employee interests are sidelined in favour of business interests it becomes problematic. As one academic comments: “there is clearly something wrong about claiming moral capital while at the same time being driven largely by self-interest” (L’Etang 2006, 414). In other words, if flexible working policies are considered a CSR field, they should live up to the statements of stakeholder orientation that underlie this.

Where the motives appear to be blurred or conflicting, more sympathetic observers may refer to the difficulty for modern managers to align competing demands, whilst the cynical would call this “greenwashing” their business as usual and profit orientation. The risk of greenwashing is very real in a situation where informational asymmetries and the attention of the media can influence the manner in which CSR initiatives are implemented. The growth of media coverage of CSR issues in the UK, one of the more advanced proponents of the movement in Europe, has been identified as a factor in the adoption of CSR in the UK (Bonanni et 2011, 22).

Whilst this is in essence positive, companies' orientation to simplified portrayals of CSR initiatives in the media may lead them to take shortcuts in implementation. So, for example, the 'best lists' (e.g. 100 Best Places to Work, the Best 100 Companies for Working Mothers, etc.) may unintentionally exacerbate the problem of companies adopting policies without necessarily changing the organisational culture in which they are embedded (see 4.6). While entering socially responsible investment indices (e.g. Dow Jones Sustainability Index, FTSE4Good) and the World Business Council for Sustainable Development involve significant sustainability commitments, entering the lists of other groups like the Global Compact or the Global Reporting Initiative requires little or no effort. The latter arguably represent more of an indication of interest than an actual measure of performance and are nonetheless cited in CSR communication (Midttun et al 2006, 370). 'Best lists' seek to form a basis for comparison and understandably focus mostly on the

existence of HRM policies rather than their usability or the culture towards work-life balance, which are much harder to define and measure (Harrington, James 2005, 666). Much of what is reported in the field of CSR is process, or as Conley and Williams (2011) critically comment, “such intangibles as dialogue, the embedding of CSR “in the corporate DNA,” and embarking on journeys” (15). This hinders the opportunities for reasonable comparison or indeed for identifying companies that are 'greenwashing' whilst providing only employer-friendly policies (ibid).

One EU survey describes the difficulty in establishing the underlying motivations for introducing flexible working time arrangements: whilst employers commonly cite work-life reconciliation as a motivation, many also name business interests, such as better adaptation of working hours to workload, and it is not possible to record the manner in which each of these influenced decision-making (European Commission 2010b, 54).

#### **4.2 Characteristics of firms and employees**

Just as the business case will not look the same for any two firms, a number of characteristics can be identified that impact the business case for CSR supporting WLB. The most obvious is that involvement in CSR is related to the strength of companies' market position: firms with weak financial performance are less likely to engage in CSR than those whose financial performance is strong. Similarly, if we look at competition, firms facing intense competition are under more pressure to cut corners and costs where possible and are less likely to engage in initiatives without a clear short-term business case. On the other hand, firms that face virtually no competition have little to gain in the form of corporate reputation, profitability or survival from acting in socially responsible ways (Campbell 2007, 952-3).

Size is another relevant factor. It is widely acknowledged that larger companies are more likely to engage in WLB practices (Budd and Mumford 2004). The reason commonly given is that they can benefit from economies of scale in the human resources bureaucracy supporting these measures (Seeleib-Kaiser and Fleckenstein 2009, 743). Added to this financial rationale is the argument for large companies' involvement in CSR in general: that they experience greater institutional pressure for legitimacy and are situated more in the limelight of the media (Wood Menezes 2010, 1577). This does not necessarily mean that smaller companies do not take responsibility for their employees – they simply tend to generate less formal working environments with less formally enshrined responsibility (Celma et al 2012, 5; see also 2.1.2). This is also true for organisations that are part of a

large-scale production network: both parent companies and subsidiaries have been found to more frequently provide family-friendly practices than small single establishments (Heywood, Jirjahn 2009, 136).

As already discussed, there are more direct short-term benefits for companies to introduce WLB policies if they are operating in a tight labour market and can thereby attract and retain valuable employees. Therefore it is logical that companies with a larger proportion of high-skilled employees would have more incentive to institute formal WLB policies. They are also more likely to be subject to higher expectations from their employees, as well-educated and well-paid workers are more likely to be in a position to negotiate and demand more of all normal goods including WLB policies (Heywood and Jirjahn 2009, 133; Guest 2002, 338; Glass and Finley 2002, 316).

A number of scholars affirm that flexible working arrangements are most likely to flourish according to the proportion of high-skilled workers and therefore in particular in white-collar workplaces (see Kelly and Moen 2007; Heywood and Jirjahn 2009; Celma et al 2012, 5). Quite apart from the labour market argument, white collar employees may find it easier to perform work at different hours and locations and to coordinate their work using technology as well as face-to-face interactions (Kelly and Moen 2007, 492).

Breaking down the relevance of skill levels a level further, Seeleib-Kaiser and Fleckenstein (2009) distinguish between three basic types of firm and the types of family-friendly policies they are likely to introduce. Firms that require specific skills and have a significant number of female workers will prefer to provide childcare over generous periods of maternity or paternity leave, which may cause the employee's skills to stagnate or even deteriorate. In contrast, companies that rely on high general skills – i.e. educated professionals with highly portable skills – are more likely to develop work-life balance policies than those that have workers with industry-specific or low general skills, such as are employed in retail, hotel and restaurants. They found that WLB policies are more likely to be provided at high general skills workplaces than at firms that predominantly rely on firm-specific skills.

#### **4.3 The case for employees v. other CSR investments**

Just as investment in CSR competes with investment in other business enterprises, work-life balance has to compete with other CSR issues – environmental, economic or social – for attention and money. After all, as Matten and Moon (2008) express it, within the realm of corporate social responsibility, “the precise manifestation and direction of the

responsibility lies at the discretion of the corporation” (405). Though it has meanwhile been accepted that the purpose of CSR is to "integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (European Commission 2001), it is less clear how companies should approach the question of which stakeholders and which issues to prioritise. Stakeholder theory gives little direction as to how to differentiate between the interests of various stakeholders and so there is no easy way of judging manager decision-making and performance in this area (Bird et al 2007, 190). Equally, much of the analysis of CSR focuses on the role of senior management, but does not address issues such as how to ensure the equitable treatment of employees within CSR or other issues that are necessary if senior management is to mediate between different stakeholder claims (Aguilera et al. 2006; Deakin et al 2002).

More recently, companies have sought to systematise their process of deciding between stakeholder concerns with tools such as the materiality matrix cited in 3.2. Several of the CSR reports analysed depicted their own non-financial materiality matrix, portraying issues in a simple graph with the relevance for the business on one axis and the relevance for stakeholders on the other. The issue of the integration of non-financial data into controlling and thus company strategy is an important one that is unfortunately beyond the scope of this paper.

Perhaps the main barrier to CSR supporting WLB is that it is easier to make the business case for environmental performance. Whilst the business case for better policies to aid WLB can be made, it is based on an indirect relationship (if you satisfy employees, they will deliver higher levels of service resulting in greater organisational performance) rather than a direct one (if you cut energy costs, you will increase profits) ( Harrington, James 2005, 669).

Environmental performance is much more easily quantifiable than social performance. Greenhouse gas emissions, water usage, recycling rates – these are all more amenable to numeric representation than labour practices or stakeholder engagement practices (Global Reporting Initiative, 2006). The measurability of environmental practices has likely contributed to the fact that they are covered by a larger number of rating schemes (Delmas et al 2013) and that investors are more interested in environmental and corporate governance disclosures than in social metrics (Eccles et al 2011). As a result, environmental initiatives like reducing carbon footprint or recycling are often the first form of sustainability initiatives companies embark on, consistent with the concept of starting with 'low hanging fruit' (Ballou et al 2012). Companies are consistently rated higher on

environmental sustainability, as well as on social aspects like codes of conduct and philanthropy, than more integrated forms of social CSR such as workplace management and employee relations (Young and Vijaya Thyl 2009, 181-182).

For some companies, environmental issues have come to be a key part of their corporate reputation, in particular when their core business has high environmental impact. However, other companies have also chosen to prioritise this aspect amongst their externalities: take the example of Patagonia, which as a clothing company could have chosen environmental or social issues as central to their business concept, yet struck on their corporate purpose, "Patagonia exists as a business to inspire and implement solutions to the environmental crisis" (Patagonia, 2014). Other companies see their responsibility to stakeholders realised through a greater customer orientation to the point of prioritising employee welfare as a means to create value for customers, as discussed in 3.2. Many of the CSR reports assessed openly referred to employee welfare as an instrument to improve customer outcomes, as witnessed in excerpts such as this: "We seek to empower our people to make a positive difference to our customers. We believe that the success of customer-centricity [...] lies in the behaviours of our people" (ING). Moreover, still other companies show a continued reluctance to see CSR as pertaining to 'internal' issues such as employee relations (Barnard et al 2004, 37).

Mason and Simmons (2013) single out from stakeholder theory literature four constituents of stakeholder salience – power, legitimacy, urgency and coherence – and what they mean for the employee as a stakeholder. The influence of labour market conditions and demand for specific skills on employees' power has already been addressed. Whilst companies are known to interact with stakeholders based on their perceived social, political, or economic power, the source of this power may or may not be legitimate, hence the second attribute of legitimacy. Whether employers perceive employee stakeholder claims to be legitimate depends on whether they view the employment relationship as a short-term transactional contract involving low levels of trust, or a relational contract, based on values and mutual trust. Urgency, the ability of stakeholders to press their demands within a certain time frame, may arise for employees when operations require short-term contributions from employees that go beyond their contract obligations. Finally, the stakeholder group must be perceived as having sufficient cohesion and distinctiveness to constitute a single stakeholder perspective, which employees are likely to have in situations relating to working conditions, especially where trade unions or staff associations consolidate interests. The authors thus surmise that employees are in an ambiguous position as a stakeholder group; they have some

interests in common with management others that are not as easily reconciled. Whilst they can often possess the characteristics of power, legitimacy and cohesion, these are diminished by uncertain commitment, fragmentation and low levels of trust in the modern economy (Mason and Simmons 2013, 50-62).

The ability of senior management to choose what constitutes their responsibility, which stakeholders and stakeholder concerns are worthy of investment, can quickly give the impression of arbitrariness. This is highly problematic if CSR is to be considered as a solution to important societal problems such as WLB, which would most ideally be realised by a systematic approach to locating CSR where the maximum social and environmental impact of the company's activities takes place, rather than where it makes the most business value.

#### **4.4 State and EU support**

There are many factors that contribute to the wide differences in levels of CSR and corporate WLB policies in different European countries that were reflected in the European surveys in 3.1. Different strands of CSR research have attached different levels of importance to political influence on CSR in general (Midttun et al 2006, 370). National government policy and culture will influence CSR directed towards employee work-life balance and cannot be ignored in a review of the factors impacting support and implementation. Government influence can take two forms: policy can either directly support corporate initiatives in this field, or it can indirectly influence the extent and direction of CSR through levels of public welfare provision. National differences in welfare provision – closely related to cultural expectations about companies' responsibilities in relation to society – will be explored in section 4.5.1.

Governments have increasingly added their support to CSR. As described in 2.4, there is the potential for significant macro-level benefits from improved levels of work-life balance. Better reconciliation of work and family life can contribute to both increased fertility and greater labour-force participation, as well as lower healthcare costs related to stress-related disorders. Furthermore, as financial constraints on the welfare state increase, the private sector is seen as a valuable aid in 'modernising the European social model' (Vuontisjärvi 2006, 271).

The UK has been at the forefront of European government support for CSR and was the first country to institute a government minister for CSR (Moon 2004, 237). Through

promotion of the business case for CSR, the UK government has sought to encourage responsibility in areas such as community support, the environment and working conditions (Barnard et al 2004, 15). In fact, they have specifically highlighted both work-life balance and working time regulations as underpinning their agenda for CSR (ibid). For example, a 2001 publication on developing CSR propounds that “a company’s approach to managing [...]work/life balance [is] central to competitiveness” (Department of Trade and Industry 2001, 4). This argument has long since been actively taken to companies through information campaigns with employers and prizes for companies who champion work–life balance (Perrons et al 2005, 53). Meanwhile the business case for WLB policies with benefits like reduced turnover and absenteeism has only more recently entered the dialogue of other governments such as the Netherlands (den Dulk et al 2011, 305).

Whilst the role of such persuasion programmes in informing and convincing companies to consider new measures has been accentuated (Bredgaard 2004, 375), research has indicated that employers have not always been receptive to state discourse on CSR, at least at an EU level. This is in part considered to be due to the fact that policymakers have blurred the motivations for implementing different policies, discussing working time regulation and CSR from the perspective of both health and safety and modernisation of work organisation (Barnard et al 2004, 16).

The route of persuasion, rather than regulation of corporate responsibility, is not without controversy. The question has been raised whether social and environmental issues judged by society as important should be left to the voluntary self-regulation of companies and whether this will lead to the greatest value creation for society (Conley and Williams, 2011, 15). Critics see government policy in this area as pandering to business interests, which use the term CSR to “encompass[ ] the voluntary codes, principles, and initiatives companies adopt in their general desire to confine corporate responsibility to self-regulation [...] overwhelmingly, with the desire—and the imperative—to secure ever-greater profits” (Christianaid 2004). It is not surprising that US-influenced corporate discretion of CSR has met with some scepticism in Europe, where it is as seen as at odds with the more regulated frameworks in many European nations, which in the field of employee rights grant employees and trade unions a well-defined scope to influence corporate decision-making (Preuss et al 2009, 954).

Nor is it coincidental that the institutionalisation of CSR has been quickest in the UK, where industrial relations are characterized by liberal and highly voluntary arrangements

and managerial discretion is greater compared with their continental counterparts like Germany or the Netherlands (Seeleib-Kaiser and Fleckenstein 2009, 742; den Dulk 2011, 304). For example, where the employee's right to request flexible working arrangements is enshrined in both UK and Dutch law, in the UK it is restricted to working parents, setting the lower expectations of managers (ibid, 302).

As far as business interests for voluntary action are concerned, it is a recognised business argument for CSR that it could help avert greater state control, such as the use of quota schemes or sanctions to impose responsible behaviour upon companies (Bredgaard 2004, 375; Midttun et al 2006, 379). By addressing employee needs and forestalling efforts to organise labour – 'getting ahead of the game' – companies may also seek to prevent stakeholder representatives from shaping CSR policy through legal means (Preuss et al 2009, 968). Instead, civil servants have been known to take the attitude that the private sector can be seen as a close partner with their enactment of voluntary responsibility, while the final responsibility for citizen well-being remains with the public sector (Midttun et al 2006, 379).

Beyond persuasion tactics, governments have also sought to encourage CSR towards employees through various forms of soft regulation. A recent tendency in legislation in areas such as employee health and well-being is to provide the aim but not the form of implementation. In its nature this form of legislation further blurs the lines of what can be considered voluntary action beyond legal requirements and therefore what is defined as CSR (Vuontisjärvi 2006, 273). In other cases legislation has been introduced to set a low legal minimum, in the hope that this will stimulate companies to take the issue seriously and go beyond the minimum – a trend that has also been led by the UK (Wood and Menezes 2010, 1576). The Working Time Directive in the UK, which sets an upper limit to the number of working hours in the week, is one example of this form of legislation that has been criticised. By allowing too many loopholes that many professions such as lawyers make ample use of and by failing to take account of the much-needed shift in working time culture, the legislation has not realised its potential for change (Barnard et al 2004, 37).

Indeed it is widely accepted that without enough support from the state industrial self-regulation can easily fail (Campbell 2007). At the same time, company WLB policies that should enable higher female labour market involvement can fail in this aim if insufficient affordable childcare or inequalities in the division of unpaid labour that otherwise restricts

mothers' agency are not addressed (European Commission 2009, 28; Brough et al 2008, 265). In this case introduction of WLB policies may, in fact, exacerbate gender inequality by reinforcing traditional models of work and adding to work-life conflict (ibid). This suggests that there is a need for close cooperation with firms on work-life balance issues if these are to achieve the macro-economic effects desired.

#### **4.5 Culture – internal or external?**

Organisational culture can be an important barrier to the successful implementation of WLB policies. If WLB policies are to effectively create value for employees, it is the responsibility of those adopting new policies to address the barriers – individual, institutional, and societal – that limit the possible implementation and take-up of policies by producing weak capabilities and agency inequalities (Hobson 2011, 149). As described in 4.1.5, recourse to managerial discretion can be a formal barrier to employees accessing WLB policies. However, many more informal barriers exist, if we consider the effects that supervisor support, co-worker attitudes, perceived negative career consequences or societal norms can have on the utilisation of policies ( Brough et al. 2008; Morrison and Thurnell 2012). This can result in employees not making use of policies that could benefit their work-life balance when these options are actually available to them.

The 'provision-utilisation gap' of work–life balance employment policies has long since been recognised as a pertinent research issue (Brough et al 2008, 268; Kelly and Kalev, 2006, 28), as well as a significant factor for employers in terms of employee commitment and productivity (Eaton 2003). More research is needed to look beyond the existence of WLB policies and probe how these policies work and are used in practice (Kelly, Kalev 2006, 4). Both policy implementation and utilisation patterns are shaped by the culture/s in which the company is embedded. Senior management can and should seek to guide their company's culture of their company, but it will also be defined by external cultural influences beyond their control. Therefore the question of whether it is the 'external' or 'internal' cultural influences that hinder successful WLB policy implementation is at the same time a question of management's responsibility. As Supiot (1999) highlights, we should neither fall into the trap of overestimating national divergence and “entertain the idea that some sort of national predestination precludes community-wide conceptualization of the issue of work today”, nor should we underestimate divergences and assume national culture is an archaic construct that will be swept away by economic globalisation (38). Rather, it is between these two poles that we must define the responsibility of management to shape the culture of the organisations that they run.

Turning first to culture as seen on a national level, many scholars have addressed regional variations in attitudes towards CSR and WLB initiatives.

#### **4.5.1 Expectation of companies' role in society**

Cultural expectations can affect whether management perceives that they have a responsibility to help employees achieve a satisfactory balance between work and non-work life. Equally, it can affect the extent to which a company's stakeholders hold them accountable for this and expect action in this field. For example, the attitude already mentioned that considers CSR as concerned with the company's external relationships and not its internal organisation is prominent amongst British managers and has been cited as responsible for low CSR support for employee voice in the UK (Deakin and Whittaker 2007, 3). Looking at the Nordic states with their extensive welfare systems, companies located here tend to externalise social responsibilities to the state with its extensive regulation (Bredgaard 2004, 375).

Existing welfare state provision and the historical division of welfare tasks understandably affect the extent to which the private sector takes on social responsibilities. One might assume that where the welfare state is weakly embedded, such as in the USA or the UK, there should be more need for companies to fulfil a greater social role through CSR including WLB policies (Matten and Moon 2008). For example, where the primary focus of UK public family policies has been on low-income families, this has arguably left more of a gap for company policy that does not exist in European states with more universally defined public policies (Seeleib-Kaiser and Fleckenstein 2009, 748). Conversely, in countries like Denmark that have a more extensive and historically embedded social welfare system, firms could be more likely to see social welfare as an affair of the state and not their responsibility. Or, in other terms, companies may fulfil the same tasks, such as financial contribution to childcare in the Netherlands, but neither recognise this nor have it recognised as CSR because it is mandated by the state (den Dulk et al 2011, 306).

However, as Midttun et al (2006) argue, there is also a basis for the proposition that the most embedded welfare states, which have a tradition of neocorporative relations and coordinated market economies, should be the strongest CSR performers. This "symmetric embeddedness hypothesis" implies a revival of sorts of the socially embedded economy (ibid, 370). Having established the background for both hypotheses, their research actually confirms neither; instead they propose a U-shaped relationship between old and

new embeddedness, in which a strong and clear-cut advanced welfare state and labour market policy support strong industrial CSR on implicit grounds (Nordic orientation), while a more clear-cut liberal order might support industrial CSR as part of an explicit CSR policy (UK orientation) (Midtun et al 2006, 379-380).

Employees who are citizens of states with a tradition of extensive social provision and addressing employee well-being may also have established higher expectations. As already indicated, adopting legislation that gives all employees the right to ask for flexible working arrangements may lead to higher employee expectations of companies to fulfil these. Higher expectations would explain why the adoption of flexible working practices and part-time working has been found to have weak associations with performance outcomes in Sweden and Finland, where such practices are relatively highly developed. This suggests that the mere presence of flexible working policies constitutes a cultural expectation here and as such has lower impact on employee outcomes (Eurofound 2011b, 52). The same may be true in former socialist countries such as Slovenia, where the state generously supported work–life policies, including leave arrangements and subsidized child care provisions, and these are viewed more as a personal matter relevant for state rather than organizational intervention (den Dulk et al 2011, 305).

#### **4.5.2 Employees' personal expectations according to factors**

Having looked at the factors that influence management's likelihood of effectively implementing WLB policies, in particular those related to the business case, it is time to turn to the factors influencing employees' prioritisation of WLB policies. Whilst the management of a large company may not be considered accountable for addressing highly individual WLB expectations, active dialogue with employees should result in WLB policies that are tailored to the workforce and their needs.

As mentioned above, national culture and the resulting conception of a company's role in society will impact employees' expectations of their employers. Nevertheless, employees' expectations, requirements and desires will be affected by a number of other factors. Many of these will be personal, in particular the amount of time and energy put into work and private lives to achieve a work-life balance, but there are also some more general statements that can be made and are addressed by the WLB literature.

One factor that cannot be ignored is gender. It is not for nothing that the WLB agenda was originally initiated from a gender equality perspective, whilst the continuing dominance of

women in childcare roles in Europe makes reconciliation of family and work life an issue of particular importance to women. Indeed, women typically place a higher implicit value on family-friendly practices (Heywood and Jirjahn 2009, 129) and a higher share of female staff is considered to lead to a higher demand for WLB policies (Wood et al. 2003, 242).

On the other hand, the value of WLB measures has been shown to decrease for women in part-time work (Heywood, Jirjahn 2009, 129). As part-time work already helps employees to balance work and family life, they are less likely to value added flexibility (Budd and Mumford 2004). As noted in section 2.4, we must therefore assume a much higher number of women who may have valued WLB measures had they, through these, felt able to combine childcare with a higher number of hours. We unfortunately do not have enough evidence establishing the extent to which these part-timers would prefer to work full-time or more hours if childcare services were more extensive or if full-time working hours were organised in a more family-friendly manner (Eurofound 2011a, 7). We do know, however, that fewer women, both those working part-time and full-time, believe that they have good career prospects compared with men (Eurofound 2010, 36). Looking at the evidence, this hardly seems surprising. Based on their study of female employees in German workplaces, Beblo et al (2006) estimate that the employment break associated with motherhood reduce women's wages by 16 to 19 percent.

As discussed in section 2.4, the relevance of gender as a factor in implementing WLB policies is inextricably linked to the gender roles carried out in private lives. As a result, employers' attempts to improve gender equality in their workplaces are inevitably affected by the conflict over gender roles and childcare in society. Various European surveys have demonstrated that men and women often have conflicting attitudes towards childcare and which partner should carry primary responsibility for it (European Commission 2008; ESS 2013). One international survey found that men are significantly more likely to believe that the best childcare solution is for one parent to stay at home to raise children, whereas women more frequently support a solution with one parent working part-time (European Commission 2008, 9-10).

Attitudes towards gender roles and childcare vary greatly between European states. In a survey across ten European countries, the majority of parents in Germany, Spain, Central and Eastern European countries stated that they believe a woman should be prepared to cut down her paid work for the sake of the family (ESS 2013). For example, a strong German belief that external childcare and mothers that go to work harm children has been

considered responsible for limited female labour force participation in the country (Heywood, Jirjahn 2009, 124). Likewise, the differences in WLB issues reported in 3.1.1 are believed to be linked to the prevailing cultural norms with respect to parenting. Gregory and Milner (2011) cite the example of differences between Britain, where the male-breadwinner/part-time carer model remains dominant, and France, where the female carer/collective childcare model is more relevant. Where traditional gendered attitudes towards care in France coexist with a rise in female labour market participation, the result is inevitably high levels of work-life conflict for French working women (Gregory, Milner 2011, 38).

At the same time, the fact that flexibility is still largely considered a 'female' way of organising working time inhibits not just women's career paths, but men's agency in utilising available policies (European Commission FWA 2010, 57). Responses to a 2004 survey showed that men were more likely to perceive particular flexible working arrangements such as flexitime or compressed working weeks as options that were simply not available to them (Nadeem and Metcalf 2007). This conflicts with new social expectations for men to be active fathers (see 2.4.2). Even countries that have a more traditional norms of women's role in childcaring responsibilities, such as Germany or Spain, do not necessarily have a correspondingly traditional view of fathering as defined by the breadwinner-provider role (Hobson and Fahlen 2009, 220).

Men's sense of entitlement to WLB measures can be significantly reduced by gendered perceptions of care. Research has shown that men are more likely to utilise measures when their sense of entitlement is clearly backed up by legal provision, such as state-backed paternity leave (Holter 2007; Gregory and Milner 2011, 37). Whilst the right to use parental leave has not caused a dramatic change in take-up rates in various European countries, the three European countries that have introduced 'daddy quotas' – reducing benefits for families in which the father does not use it (Norway, Sweden and Germany) – have seen utilisation rates increase rapidly (Hobson 2011, 153). The more closely related they are to childcare, the less likely men are to take up a WLB measures, including family emergency leave, term-time working, school-hours working hours, which are all still considered women's forms of working and are almost exclusively used by women (Gregory and Milner 2011, 37-44).

Instead of making use of explicitly 'family-friendly' policies, men instead tend towards more universal flexibility in the form of flexible working time arrangements to adjust better

to the requirements of family life, to which they feel more entitled, even if this only improves their WLB at the margins (Gregory and Milner 2011, 43). The demand is there: according to the 2004 European Social Survey, fathers who work more than the normative hours have four times the odds of wishing to reduce their hours compared to those working normative hours. When welfare regime differences are accounted for (i.e. Nordic countries are taken as a reference), those fathers that work more than normative hours have over seven times the odds of wanting to reduce their work hours with a proportionate decrease in pay. This illustrates the considerable agency constraints that fathers face in realising their preferred working time and work-life balance. This means that as long as flexibility that enables work-family reconciliation is considered a 'female' way of organising working time, flexible working time arrangements are more likely to confirm gender differences than to change them (European Commission 2010b, 8).

#### **4.6 Organisational culture and mindsets**

If we take CSR and WLB policies as issues that have only recently entered the management agenda, their effective implementation relies on an understanding of change management. Organisational learning theorists have provided a basis of the most important requisites for substantive change to take place, in particular the existence of a structured model, assessment and measurement methods, and ownership of the issue by top management (Harrington, James 2005, 666). Managers today have to adapt to an ethical environment of business that is played by different rules and holds different sanctions and benefits than a few decades ago (Donaldson and Dunfee 2002, 1855). Without a combination of both formal and informal measures, organisational innovation can easily get ahead of management skills and culture and cause a 'rhetoric-reality gap' (Visser and Williams 2006). Thus 'secondary' aspects of WLB policy implementation become indispensable if these policies are to achieve employee welfare outcomes.

In the case of WLB, research has shown that the presence of formal or informal flexible policies alone is a less important factor for employee commitment and productivity than their perceived usability (Eaton 2003). For this perception to be realised the change process needs to be owned by management and not just by human resources departments. As such, WLB can potentially benefit from its inclusion in a stakeholder engagement strategy as part of a broader CSR strategy that is situated above the HR department level.

Ideally, employers should see this as an opportunity to question their company's externalities on a wider scale, including the possible negative impacts of their organisational culture on employees. For example, meaningful work-life policies can be undermined not just by open discrimination, but also by more subtle and complex forms of bias such as assumptions about how work should be carried out, the nature of ideal workers or the inevitability of long working hours (Lewis et al 2007, 366–367). Kelly and Moen (2007) also emphasise the importance when adopting flexible working policies of promoting transformational change and challenging assumptions about when work should be carried out and how it should be controlled to adapt to a changing workforce (489).

#### **4.6.1 Difficulty in assessing and meeting employee needs**

In order to implement effective informal measures in support of work-life reconciliation, employers must first have an understanding of their organisational culture and the possible impact on WLB utilisation. Secondly, they must understand what their employees' needs are in relation to WLB and how firm-level policies can address these. This might sound obvious, but for a host of reasons, organisations have tended to struggle in assessing the extent to which new work-life policies have addressed needs and become part of a new management paradigm (Harrington, James 2005, 666). Research on the topic has not yet added much insight on the question of policies and their impact of cultural change, or the perceptions of such policies within organisations (ibid).

WLB strategies should be based on internal assessments of employees' needs, current culture, existing work-life policies, the organisational structure and business challenges, as well as, ideally, an external assessment of other organizations' best practices (ibid, 675). Indeed, employers failing to engage their workers in dialogue and consultation to find out what they want can easily lead to a mismatch between employer provision and employee needs (Visser and Williams 2006). As stakeholder dialogue is recognised as a central pillar of CSR (Conley and Williams 2005, 12), WLB supported by CSR should encourage employers to enter into a greater dialogue with employees and improve existing policies where necessary. Ongoing dialogue can not only identify current issues and needs, but also potential problems and opportunities before they arise, and help to build goodwill and mutual understanding (Browne and Nuttall 2013, 5-7).

Here it is worth mentioning one complication in assessing future employee needs: some employees may not themselves know these. In particular young adults entering the job market may not factor in future childcare responsibilities or have a conception of how

these can be reconciled with a career. This problem with viewing employees as rational actors is reinforced by the fact that most employees are not empowered relative to management in order to voice their demands in all but the most narrowly defined situations ( Glass and Finley 2002, 315).

#### **4.6.2 Lack of supporting policies for employees**

As noted, it may be necessary to introduce various complementary measures to formal WLB policies, depending on the nature of barriers to WLB policy utilisation. In many cases employees are not aware of the existence of WLB policies or are not given information about these that would encourage them that it was a pursuable option. For example a survey carried out in the UK in 2005 found that 19% of employees were unaware of any flexible working policies available to them (Williams 2005). Publicising policies through brochures or other media serves to communicate both the opportunities themselves and the fact that the company is serious about the issue (Kelly and Kalev, 2006, 19; Kelly and Moen 2007, 494).

Other practices can also enhance the business benefits of work-life balance policies. For example, the practice of maintaining contact during parental leave through informal meetings, invitations to company events, further training or even selective assignments can improve the quality of workers' leave and increase the chance that they will return to the employer (Heywood and Jirjahn 2009, 131).

Beyond publicising the existence of WLB policies, employers can confront the perception that utilising options such as flexible working arrangements will harm employees' career prospects. Interestingly, the 2011 ECS found that employees within firms that provide flexible working hours are more likely to voice discontent about career development possibilities (Eurofound 2011b, 3). This mirrors the finding of another recent European survey that part-time workers are less likely to say that they have good career prospects. Amongst those working 20 hours or less per week, only 23% 'agree strongly' that they have good career prospects, compared with 28% of the category 21–34 hours per week and around 33%–35% of full-timers (Eurofound 2010, 36). Whilst this may in part reflect the nature of work, types of jobs and organisational structures in firms that have these policies, it nevertheless implies a need to address equal opportunities in relation to flexible working arrangements to a greater extent.

Employees may fear that using flexible working arrangements signals to management that they are not committed, especially when performance review systems have not been updated to advise managers how to evaluate workers using these arrangements (Kelly, Moen 2007, 490). Research carried out in Europe demonstrated that managers can underestimate the skill and commitment of part-time employees and are approximately 40% less likely to grant these employees training than full-time workers (Francesconi and Gosling 2005).

Perceptions about the career implications of using work-life balance policies are closely related to the gender factor addressed above. Currently few companies address men's as well as women's work-life constraints in their policies (Gregory, Milner 2011, 37). If flexibility and reduction of working hours is considered the 'mommy track' (Holter 2007) and companies give the impression that a choice must be made between the parenting and a career, this is likely only to reinforce stereotypes: those that prioritise their families use WLB policies, whereas men and women who prioritise their careers do not. Thus gendered perceptions of care within organizations can cause both career discrimination against women and reduce men's sense of entitlement to workplace WLB measures, contributing to a polarisation between men and women's working experiences (Gregory and Milner 2011, 37).

#### **4.6.3 Lack of support or training for supervisors**

As discussed in sections 2.3.2 and 4.1.5, human resources practices have increasingly been devolved to line managers, including discretion over requests for WLB measures, making them an important factor in WLB policy implementation (den Dulk et al 2011, 302; Eaton 2003). Just as many firms do not support policy implementation by adequately informing employees as possible recipients, so too is it an issue when employers fail to give guidance to their line managers in evaluating requests for flexible working arrangements (Kelly and Kalev 2006, 10). Research has shown that managers often lack the skills to implement policies effectively and that little training is being carried out to help managers learn how to manage flexible working in their teams (EOC 2005b).

Line managers have an important role to play. Considering the strong evidence that having a supportive supervisor is associated with less work-life conflict (Kelly and Moen 2007, 492), higher quality and lower absenteeism (Wood and Menezes 2010, 1593), employers that are serious about improving employee welfare and also seeing the business benefits of these measures need to take stock of this factor. This means

addressing not just supervisor skills and knowledge related to WLB issues, but also their attitudes, which may be as, if not more important, than formal policies for some outcomes (ibid). Amongst the relevant attitudes, as already indicated, gendered expectations of care and work can influence managerial attitudes towards work–life policies (den Dulk et al 2011, 306). Moreover, the gender of managers is likely to affect their gender expectations. The presence of a top female manager has been shown to be significantly positively associated with the probability of providing work-life programmes and childcare (Heywood, Jirjahn 2009, 136; Nadeem and Metcalf 2007, 23; Ingram and Simons 1995).

More generally, it is important to consider the value managers put on the time employees are present and how this influences their perception of commitment and performance. Both senior management and lower management levels can be responsible for instilling a long hours culture, in which time spent at work is seen as a barometer of work commitment (Hobson and Fahlen 2009, 216). Firstly, a manager's own use of flexible working time arrangements sends a clear message to employees about what is expected and acceptable (Visser and Williams 2006). Managers often work long hours and make less use of WLB policies than non-managerial employees, which means they are more often seen as 'gatekeepers' to the take-up of policies than role models in policy utilization (den Dulk et al 2011, 302). Harrington and James (2005) point out that many executives operate in ways that others would consider imbalanced, but are happy to do so – whilst they are not role models for utilisation, they can still respect others' choices and create a supportive environment.

In many organisations, flexible working continues to be seen as a deviation from the norm, implying that 'presenteeism' is the measure of a valuable employee rather than the value of their contribution (EOC brain drain 2005). Beliefs about the value of 'face time' are deeply resistant to change, especially for the professional classes (Harrington, James 2005, 667; Glass, Finley 2002, 315). To take the example of the accountancy profession, Smithson et al (2004) show in their study that socialising outside work is seen as a key route to showing commitment and thus to career progression. In such environments it clearly requires more than just modern technical solutions to ensure the success of FWA policies.

Until implicit assumptions about what good performance looks like are challenged and discussed, these will continue to undermine flexible working initiatives (Visser and Williams 2006). In an ideal situation, human resources department expertise should be

used to train managers to challenge their assumptions and to make decisions that are transparent, minimising possible perceptions of organisational injustice (Kelly and Moen 2007, 495). In focus groups in the USA, Kelly and Moen (2007) employees reported that just being trusted by their supervisors to get their work done would help them manage their work and family responsibilities. Training and guidance of supervisors should be part of a wider support and evaluation system that also includes tracking of requests and approvals across departments (Kelly and Kalev 2006, 10; Kelly and Moen 2007, 494). These measures may make the decisive difference whether WLB policies pay off, both for employees and, in the long term, for companies.

### **5. What do trends in CSR signify for WLB?**

Generally we have seen that the theory of stakeholder orientation in CSR has only partially been translated into reality. The blurring of motivations – the business case or the ethical imperative – and the vagueness of CSR reporting make it difficult to gain an overview of how effectively companies are implementing CSR. The good news is: this is not the end of the story. We have seen a massive development of corporate responsibility over the last twenty years and there is cause to speculate that employee WLB could stand to benefit more from this than it has thus far.

As noted, the most important factor that appears to be impeding the improvement of work-life balance is that it is an indirect means to achieving business value and a 'softer' issue within CSR – a field which is already difficult for many business people – whose success relies on their ability to create concrete, financial results – to grasp (Harrington and James 2005, 669). Thus many companies have chosen other areas of focus within CSR, such as environmental protection, and where companies have sought to address employee welfare they have been more advanced in training and development including diversity, health and safety, and employee engagement. After all, these are notably easier to measure in parameters than softer themes, such as work-life balance or efforts to integrate disadvantaged groups (Vuontisjärvi 2006, 286-7).

It therefore has positive implications for WLB that there is a highly active and rapidly growing movement to embed CSR into core company strategy and culture, in particular through measures to better integrate non-financial key performance indicators for CSR into financial controlling and reporting. As Harrington and James (2005) point out, Total Quality Management suffered from the same barriers to implementation: that it was an abstract notion that promised better business results with a clear connection to the bottom

line and that required significant management attention and commitment in order to be successfully implemented. Nevertheless, the quality movement was able to have a significant impact in the business world and even paved the way for assessment of a broader set of business measures through the use of the balanced scorecard (Harrington and James 2005, 670).

The financial crisis has given an added impetus to change in international companies well beyond financial services. Although the Edelman Trust Barometer indicates that values have stabilised since an all-time low at the peak of the financial crisis, they found that only 26% of the public trust business leaders to solve social or societal issues and less than a fifth trust them to tell the truth. A further finding was that large corporations – those that are more likely to engage in CSR – are significantly less trusted than small and medium-sized companies (Edelman 2013, 1). CSR offers a unique opportunity to regain the public's and in particular stakeholders' trust by demonstrating a commitment to social values. Quite apart from firms' reliance on their employees to deliver business performance, they also have a deep reliance on them to carry out their sustainability strategies. Following a period of downsizing and restructuring, the opportunity to show commitment to employees is especially valued (Lacy et al 2009, 488). In this context, applying to the whole workforce a set of practices that in the past has been restricted to managerial and professional workers can be seen as an opportunity to build a new kind of psychological contract based on trust, fair treatment and delivering promises, bringing reciprocal benefits (Guest 2002, 338).

Only within the last five years has a landscape of non-profit organisations developed that are capable of setting standards for CSR that are internationally relevant. These include the International Organization for Standardization's guidelines for CSR, ISO 26000, the International Integrated Reporting Committee and the Sustainability Accounting Standards Board. The latter two organisations have already begun to have an impact with their advocacy of better disclosure of CSR data, aiming to enable and encourage the prioritisation of CSR measures both in internal and external decision-making among investors (Ioannou and Serafeim 2011, 10-12). Within the CSR field particular focus has been put on reporting as a means to further meaningful and long-term oriented measures (Conley and Williams 2005, 37).

Vanguard companies have taken on the relevance of reporting for the internal change process:

“The distinction between reporting on value creation and creating value is an important one. Better reporting leads to better understanding which should lead to better value creation.” (Alan Stewart, CFO of M&S, in Tomorrow's Company 2014)

There is evidence to support this: Garz and Volk (2007) found in their study of 540 sustainability reports that the process of drafting these was among the most important catalysts for organizational change, contributing to the accumulation of knowledge, questioning of processes, and the establishment of suitable structures and practices.

As a result, some scholars and NGOs have called for CSR reporting to become mandatory in order to speed up the process of change within companies. Indeed, a study of the countries that have already introduced mandatory CSR reporting found positive results including more effective supervision of management by corporate boards, increased managerial credibility in the following year and higher prioritisation of employee training (Ioannou and Serafeim 2011, 3-8). A further argument for regulation is that it 'levels the playing field', removing the risks involved for individual firms for voluntary disclosure (Garz and Volk 2007, 13; Glass and Finley 2002, 318). Through enforcing a certain level of transparency, it can also help to defend socially beneficial measures that are voluntarily often driven by supportive executives from being axed with the next set of corporate leaders. Where WLB could stand to benefit from the regulation of CSR disclosure, WLB measures are likely to remain the voluntary responsibility of employers on the basis that the individual needs of the workforce will vary from company to company.

## **6. Conclusions**

For those who believe in its potential, CSR offers nothing less than the opportunity to transform the way that business is done from the inside out, ensuring that it helps to create a more environmentally-friendly, fair and financially stable society for the future. Analysis of the concrete outcomes such as employee WLB in this paper may serve as fodder to sceptics of the movement. After all, despite companies' claims to be changing their way of doing business and creating greater stakeholder value, there is a stable proportion of employees whose WLB is not improving, whilst the demographic supposedly addressed by firm-level WLB policies – working parents – appears to be suffering from increasing WLB problems.

The first thing that must be emphasized is that employers alone cannot completely resolve WLB issues. As discussed, cultural attitudes towards gender, care and work have, and will continue to have, an impact on employees' agency in utilising policies. National culture and welfare state provision contribute to massive difference between countries in terms of both employer and employee responses to WLB. However, this does not explain the lack of progress across these countries over the last fifteen years, shown by the European surveys. Instead the interpretation and implementation of CSR within firms offers answers to the question of limited employee welfare outcomes produced by efforts in this area.

The potential value creation of CSR initiatives is obstructed by the fact that it has often interpreted and implemented with a short-term perspective. Managers faced with new expectations from stakeholders and a need to rapidly respond to these have sought to integrate CSR into their short-term oriented business models, which inevitably leads to compromises, such as FWA being made available, but only to a small proportion of employees. The CSR reports analysed demonstrated that many large companies understand the importance of engaged and committed employees for the success of their business. However, creating a mutually beneficial employer-employee relationships based on trust requires credible commitment on the part of companies, such as living up to claims of stakeholder orientation by making WLB policies available to all rather than just the elite of employees.

As shown, formal policies for WLB alone are unlikely to realise their potential for stakeholder or business value. Instead, employers need to acknowledge the cultural barriers to take-up of policies, enter into a dialogue and introduce supporting measures such as supervisor training, better access to information on FWA options and expressions of leadership support for these measures to realise change. More radical approaches to WLB would address how jobs are designed, work is coordinated and rewards are determined to assess how the company can fundamentally adapt for the future (Wood and Menezes 2010, 1593).

Considering that employee welfare outcomes require a commitment to both formal and informal measures, and a shift in the mindset of both management in integrating non-financial aspects, and supervisors, in transforming their view of working time and performance, it is perhaps not surprising that these outcomes have been slow to appear. Most importantly, efforts to integrate CSR across the business, rather than introducing isolated initiatives, bode well for the issue of WLB. A more systematic approach to

stakeholder engagement offers the potential for employers to gain a better understanding of employee needs, whilst a more systematic approach to reporting should help to push companies beyond vague statements of support for WLB and FWA. It is yet to be seen whether CSR can live up to the potential for spreading a more holistic view of business, but its support of WLB issues and rate of development offers hope that employee well-being should gain more focus in the near future.

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AGEAS	<a href="https://www.ageas.com/sites/default/files/AFS_2013_UK_Final.pdf">https://www.ageas.com/sites/default/files/AFS_2013_UK_Final.pdf</a>
Allianz	<a href="https://www.allianz.com/en/sustainability/index.html">https://www.allianz.com/en/sustainability/index.html</a> (2013-2014)
Generali Group	<a href="http://www.generali.com/322454/Sustainability-Report-2013.pdf">http://www.generali.com/322454/Sustainability-Report-2013.pdf</a>
Astrazeneca	<a href="http://www.astrazeneca.com/cs/Satellite?blobcol=urldata&amp;blobheader=application%2Fpdf&amp;blobheadername1=Content-Disposition&amp;blobheadername2=MD-Disposition&amp;blobheadername3=Type&amp;blobheadervalue1=inline%3B+filename%3D2013-Annual-report.pdf&amp;blobheadervalue2=abinary%3B+charset%3DUTF-8&amp;blobkey=id&amp;blobtable=MungoBlobs&amp;blobwhere=1285689383600&amp;ssbinary=true">http://www.astrazeneca.com/cs/Satellite?blobcol=urldata&amp;blobheader=application%2Fpdf&amp;blobheadername1=Content-Disposition&amp;blobheadername2=MD-Disposition&amp;blobheadername3=Type&amp;blobheadervalue1=inline%3B+filename%3D2013-Annual-report.pdf&amp;blobheadervalue2=abinary%3B+charset%3DUTF-8&amp;blobkey=id&amp;blobtable=MungoBlobs&amp;blobwhere=1285689383600&amp;ssbinary=true</a>
AXA Group	<a href="http://asp.zone-secure.net/v2/index.jsp?id=576/735/45638&amp;lng=en">http://asp.zone-secure.net/v2/index.jsp?id=576/735/45638&amp;lng=en</a>
BBVA	<a href="http://shareholdersandinvestors.bbva.com/TLBB/tlbb/bbvair/ing/responsible/index.jsp">http://shareholdersandinvestors.bbva.com/TLBB/tlbb/bbvair/ing/responsible/index.jsp</a>
Barclays	<a href="http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2013/2013-barclays-annual-report-final.pdf">http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2013/2013-barclays-annual-report-final.pdf</a>
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Deutsche Bank	<a href="https://www.db.com/cr/en/docs/Online_DB-CR-2013_EN.PDF">https://www.db.com/cr/en/docs/Online_DB-CR-2013_EN.PDF</a>
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Nokia	<a href="http://company.nokia.com/sites/default/files/download/nokia_people_planet_report_2013.pdf">http://company.nokia.com/sites/default/files/download/nokia_people_planet_report_2013.pdf</a>
Nordea	<a href="http://de.slideshare.net/NordeaBank/nordea-csr-report-2013">http://de.slideshare.net/NordeaBank/nordea-csr-report-2013</a>
Novartis	<a href="http://www.novartis.com/downloads/corporate-responsibility/metric-and-reporting/cr-performance-report-2013.pdf">http://www.novartis.com/downloads/corporate-responsibility/metric-and-reporting/cr-performance-report-2013.pdf</a>
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Reckitt Benckiser	<a href="http://www.rb.com/documentdownload.axd?documentresourceid=66591">http://www.rb.com/documentdownload.axd?documentresourceid=66591</a>
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Total	<a href="http://www.total.com/sites/default/files/atoms/files/csr-report-2013.pdf">http://www.total.com/sites/default/files/atoms/files/csr-report-2013.pdf</a>
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Hiermit versichere ich gemäß § 17 Absatz 7 der ‚Prüfungsordnung für den postgradualen und weiterbildenden Fernstudiengang Sozialmanagement der Alice Salomon Hochschule Berlin‘, dass ich diese Masterarbeit selbständig verfasst und keine anderen als die angegebenen Quellen und Hilfsmittel benutzt und alle wörtlich oder sinngemäß übernommenen Textstellen als solche kenntlich gemacht habe.

Die Masterarbeit hat keiner anderen Prüfungsbehörde vorgelegen.

Berlin, den 13.3.15

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