
The work/family interface at Royal Bank Financial Group: successful solutions – a retrospective look at lessons learned

*Norma Tombari and
Nora Spinks*

The authors

Norma Tombari is Manager, Workforce Solutions, Corporate Human Resources, Royal Bank Financial Group, Toronto, Canada

Nora Spinks is Managing Partner and Organizational Coach, Work/Life Harmony Enterprises, Toronto, Canada.

Keywords

Work organization, Family life, Flexible working, Employee benefits, Canada

Abstract

This retrospective analysis of the development of work-family-life and flexibility initiatives at Royal Bank Financial Group (RBF) examines the factors that lead to success. Using internal and external research, quantitative and qualitative measures and benchmarking, RBF has continued to build upon its original business case, dispelled myths and obtained buy-in from stakeholders. Employees and managers have consistently reported positive results from work-family-life initiatives such as dependent care programs, flexible work arrangements and manager tools, training and supports. A chronological profile of the initiatives and highlights from several studies, including RBF's two Impact Assessments on Flexible Work Arrangements, are presented within a historical context.

Electronic access

The current issue and full text archive of this journal is available at
<http://www.emerald-library.com>

Introduction

In times of constant change, continuous re-engineering, and perpetual growth, we rarely have the time to reflect and review what we have accomplished and what we have learned. This retrospective analysis of the evolution of Royal Bank Financial Group's (RBF) work-family-life initiatives provides us with that opportunity.

Examining the business case foundation, the program and policy framework and results from numerous studies, evaluations and research reports we can see how the initiatives have been both affected by and a catalyst for a decade of organizational transformation, innovation, and professional development.

One of Canada's largest employers, RBF has 60,000 employees located across the country in 1,500 branches and offices. Women constitute approximately 75 percent of the organization's overall workforce. RBF's vision is to be Canada's premier financial services provider with committed people working together as a team to create customer and shareholder value. Its goal is to provide outstanding customer service to its 10 million customers in each of the business areas: personal and commercial banking; wealth management; and corporate and investment banking.

In a recent wellness study, RBF employees indicated that they are highly committed, interested and involved in individual and organizational success, and feel they work in a supportive environment (Duxbury and Higgins, 1998). Through careful planning, creativity, and innovation RBF has begun to realize what many progressive organizations strive for and many consultants and academics deem to be necessary for success in the next millennium.

These achievements are a result of strong leadership, recognition of the value of human resources and a willingness and ability to link human resource strategies with business strategies. To reach this point, RBF has learned many lessons, dispelled myths, and opened minds. The process has not been easy, simple, predictable or controllable, nor is the process complete.

Organizational cultural norms do not change as quickly as market forces and workforce demographics. Deeply entrenched work ethics, unwritten rules and unspoken behavioural expectations are hard to document, measure and modify. However, introducing workplace flexibility, recognizing

and supporting employees' lives outside of work and introducing new ways to think about work is what RBFG's work-family-life initiative is all about.

RBFG may not yet have all the solutions, but continues to get positive results by asking questions, integrating thinking and assessing both the employee's and organization's needs. By analyzing current and past experiences through the work/family lens, the organization is moving closer to creating an effective, supportive, and productive organizational culture.

Evolution and revolution

The financial services industry has recently experienced profound and rapid change. The changes have resulted in fundamental restructuring, re-aligning and repositioning of the entire industry. More changes are expected as we move into the next millennium.

Like many corporations, the forces of demographics, technology, globalization, consolidation and changing customer demands have affected RBFG. Expanding competition has revolutionized everything: from products to customer interface, from organizational infrastructure to management innovation, and from local branch banking to a extensive array of global financial services and alternative service delivery channels. RBFG has embraced these changes and sought out opportunities and potential in this new financial era.

Canadians, in general, have experienced these changes at home, at work and in the community as well. In a recent study, conducted by Angus Reid in partnership with RBFG, 70 percent of working Canadians felt that the workplace had changed somewhat (28 percent) or a great deal (42 percent). Of those, 63 percent said the changes have been for the better. Despite the fact that 66 percent of those surveyed like things changing, 18 percent say the workplace is changing too fast (Angus Reid and Royal Bank, 1997).

This climate of change has created both challenges and opportunities for RBFG's work-family-life strategy. Changing attitudes and behaviours, altering work styles and transforming work environments is not an easy task. Positioning the work-family-life initiatives within the context of the business case and as a management resource and

support has been a critical factor for success from the beginning.

RBFG's work-family-life experience evolved through three primary timelines:

- 1989-1990: strategy design and development (preparation of the business case, literature search and benchmarking);
- 1991-1993: strategic implementation (program roll-outs, initial expansion, management training);
- 1994-1999: continuous improvement, communication and evaluation (refinement, enrichment, expansion).

Steady growth and development over time

During the past decade, RBFG experienced steady expansion and enrichment of its work-family-life programs, policies and practices. Some was carefully planned and orchestrated while some occurred in response to uncontrollable and unpredictable external circumstances. For example, the introduction of the child and eldercare information service in 1990 led to a planned program expansion to include support for employees with school-age children and pre-teens by 1994. In 1997, in response to a labour dispute that resulted in the unexpected closure of schools in the Greater Toronto area, emergency childcare response guidelines were developed and communicated within two-days.

Over time RBFG evolved its programs as well as its thinking. "The organizational work-life continuum" describes five stages of organizational development, from a passive InActive, mode to an InterActive mode. (Spinks, 1998, Section 2B) In stage one, organizations are InActive: denying or ignoring the reality of today's work force and work place. In stage two, organizations are ReActive, reacting to a work-life crisis, situation or circumstances on an informal, individual or ad hoc basis. In stage three, organizations are Active, taking the initiative to address work-life issues from a corporate or systemic perspective by introducing supportive programs, policies and benefits. In stage four, organizations are ProActive, addressing work-life issues from a strategic holistic approach considering both the work and family side of the equation by introducing manager training and supports, redesigning work etc. In stage five, organizations become InterActive by participating in cooperative and collaborative

work/life solutions across business units, with other employers and with community organizations.

While most Canadian corporations remain in stage two or three, RBFG has quickly progressed through the five stages. They moved from ReActive in the late 1980s, to Active and ProActive through the 1990s, and are moving towards InterActive as the millennium approaches.

The ReActive late 1980s

During this phase, spearheaded by the vice-president human resources development, a comprehensive research exercise was conducted that led to the development of a formal business case and the creation of the work and family initiative.

Data were collected using a variety of methodologies including a literature review, benchmarking analysis and focus groups with women in management in the retail banking network, the Corporate Banking Women in Management Committee and a representative cross section of employees. In addition, RBFG participated in two extensive Canadian surveys on work and family responsibilities conducted by the Conference Board of Canada (Paris, 1989; MacBride-King, 1990).

Following a comprehensive analysis of internal and external demographics, workforce trends, employee input and market forces, the business case was submitted and executive approval received. The HR planning and development department then took the initiative to act positively and pro-actively to maximize individual and organization potential and resiliency by building the work-family-life platform.

The Active early 1990s

In spring of 1990, the responsibility for the development, implementation and management of the work and family initiative was assigned to the manager, work and family. From 1991 to 1993, RBFG concentrated on transforming informal arrangements and ad hoc initiatives into a foundation of formal policies, programs and resources to assist employees and their managers to effectively address work and family issues.

At that time, the business imperatives were to recruit and retain quality people, pro-actively respond to the changing needs of the employee population, enhance productivity and remain a leading organization. In finding solutions, RBFG focused on meeting the diverse needs of its key stakeholders: the employee, the bank, its shareholders and its customers.

During this phase of development:

- the Work-Family Policy Statement was communicated, formalizing its commitment to flexibility and ongoing professional development for individuals opting to pursue flexible work options;
- family-supportive policies were consolidated;
- childcare and eldercare information services were introduced;
- childcare and eldercare handbooks were developed;
- Flexible Work Arrangement Handbook Series: *Reduced Hours, Job Sharing, Flexitime, Modified Work Weeks, Flexiplace* (including manager's and employee checklists) were written;
- manager training was implemented;
- parenting/health related book discount program was launched;
- maternity/parental leave kits were created;
- job sharing registries were maintained; and
- education information service was added.

The ProActive mid- to late-1990s

Continuing to build on the business case, RBFG began measuring and evaluating the usage of the programs, the success of flexible work arrangements (FWAs) and the impact of the initiatives on employees' lives, careers, work performance, and attainment of business goals.

Work-family-life programs were modified, enhanced and integrated with other RBFG initiatives such as the following:

- National Workplace Flexibility and Job Sharing Registry FaxBack: information lines were created.
- The 1994 International Year of the Family: activities were co-sponsored by RBFG.
- Closing the Gender Gap: research results identified work-family as an important issue.

- Royal Learning Network was established and the training and learning strategy recognized and incorporated work-life issues into its planning and operations. (One of the eight compelling statements that drive its operations relates to Life/Flexible Work Environment. The reality of organizational and family/life demands dictates how training and learning is developed and delivered within RBFG.)
- Leveraging Diversity initiative, which embraces the concepts of workforce, marketplace and structural diversity, integrated work-family-life within that context,
- Workplace 2000 Partnership Pledge was communicated, documenting the revised partnership between employees and RBFG. (RBFG is responsible for providing: training, learning, development opportunities, rewards, recognition, pay for your contribution, challenging job and growth opportunities, technology support, support for employability, marketability, professional HR support and support for personal and family needs. Employees are responsible for demonstrating a commitment to work, teamwork and customer; applying work skills in keeping with changing jobs, focusing their contribution on business objectives, taking ownership of their own development and growth, flexibility, and effectively managing people.)
- Regular part-time and full-time employees were given the same status, and benefits were extended to a larger employee population, recognizing the contribution of all individuals, regardless of their work arrangement or the number of hours worked.
- Recruitment literature/Web-site included information about the work-family-life programs.
- RBFG Intranet and Internet human resources sites added information on the various WFL initiatives.
- Flex benefits were introduced, recognizing the diversity of needs throughout an employee's life and career.
- Career Navigator, a career and personal planning tool, incorporated work/life supports and resources.

The InterActive millennium

As RBFG moves towards the next millenium it will continue to evolve the work-family-life initiatives. During the next few years the organization will continue to play prominent roles in corporate councils, government task forces, and community partnerships, including but not limited, to:

- Conference Board of Canada's Council on Workforce Solutions: Executive Committee;
- Government of Saskatchewan Task Force on Work and Family;
- FlexGroup: (the only Canadian representative in a group of leading edge US companies focused on promoting the utilization of workplace flexibility options as a key business strategy);
- Families & Work Institute: Corporate Leadership Circle;
- Canadian Business Collaboration and Western Work/Life Collaboration consortiums;
- The Learning Partnership (Toronto); including participation in the national Take Your Kids to Work (over 500 children involved in 1998) and on the board of directors;
- YWCA board of directors;
- Vanier Institute of the Family – member
- Business/education partnerships (hundreds of local initiatives, junior achievement, etc.);
- The Royal Bank/Conference Board National Partners in Education Awards, recognizing excellence in business education partnerships at the elementary/high school levels.

Measurement and evaluation: a strategic business approach to work-family-life

Since its inception, the RBFG work-family-life initiatives have included both qualitative and quantitative measurement and evaluation. Measuring and communicating the impact of the initiatives on tangible business indicators remains a priority today. Building upon the original "business case", RBFG continues to track key indicators including employee retention, absenteeism, productivity and performance, employee satisfaction and commitment, stress, work/family conflict and role overload, and organizational climate.

Organizations such as RBFG conscientiously and regularly assess the development process and work-life initiatives in order to:

- reinforce and validate the business case;
- increase understanding and awareness of the initiatives;
- encourage program involvement and policy implementation;
- identify gaps and opportunities for expansion and enhancements;
- dispel myths by acknowledging successes;
- support organizational change;
- remain competitive and be an “employer of choice”;
- communicate and share learning with other organizations.

The many challenges of evaluating work-life initiatives include: examining diverse initiatives within a rapidly changing environment, measuring complex issues, working within decentralized business structures, and designing or finding measurement tools that link qualitative and quantitative results to the business bottom line. RBFG has been able to address some of these by integrating diverse and comprehensive methodologies.

RBFG assesses internal data such as program utilization statistics and trend reports, employee opinion surveys, and employee demographic profiles. It also co-sponsored, commissioned, and participated in various internal and external studies including *Flexible Work Arrangement (FWA) Impact Assessments* (Canadian Work & Family Services and Royal Bank, 1994; Royal Bank Financial Group, 1998), *Men and Women Working as Partners* (Duxbury, 1996), *Building Bridges* (Angus Reid, Royal Bank and d-Code, 1997) and “Employee Wellness Survey” (Duxbury and Higgins, 1998).

Utilization and opinion data

Since some programs are managed locally, it is often difficult to track usage, however, it is estimated that at RBFG at any given period of time 35–50 percent of employees are using a component of the work-family-life initiative. The type and depth of involvement continues to grow steadily. To date:

- over 10,000 employees have accessed the family care information services;
- 30 percent of RBFG employees currently participate in a flexible work arrangement;
- over 1,100 employees job-share (more than any other organization in Canada);

- 1,000–2,000 maternity/parental kits are distributed each year;
- approximately 200 children enrolled in the on-site emergency childcare program during the labour dispute which resulted in the closure of the schools in the Greater Toronto area;
- over 7,500 people managers attended a four hour work and family training module that was an integral part of a three day management development conference in 1994;
- 88 percent of employees in the 1988 employee opinion survey said that their supervisor allowed them sufficient flexibility to meet personal/family needs. (86 percent in 1997 and 66 percent in 1995).

Flexible work arrangement impact assessments: 1994 and 1997

Two signature pieces of research for RBFG were the flexible work arrangement (FWA) impact assessments conducted in 1994 and 1997 by an external consulting firm[1]. These studies have helped to demonstrate the power of flexibility and helped to convince reluctant or resistant managers to try introducing flexibility in their work units.

The 1994 study provided the baseline for future research. The objectives of the studies were to assess the value and satisfaction with current FWAs, the degree to which FWAs addressed employee needs and affected commitment, and to identify work processes that were sustainers or barriers to FWAs. The objectives in 1997 also included a comparison with 1994 data, the integration of research findings with new flexibility initiatives, and the impact of work-family-life communications and training strategies.

In 1994, employees using FWAs (users) and their immediate manager were involved. In 1997, co-workers (non-users) of employees using FWAs were also included. In both studies, the results were consistent across all groups with some slight variance between users and their managers. Employees tended to be more conservative and more passionate about the arrangements and the impacts on work performance. Findings were overwhelmingly positive with all survey participants. FWAs had no negative impact on organizational efficiency, employee commitment and customer satisfaction.

Most respondents had been employees of the bank for more than ten years; the majority were women from personal financial services, action direct (discount brokerage), operations

and service delivery business units. All types of flexible work arrangements were represented. Approximately 90 percent of users were married or living with a significant other. One fifth (21 per cent) of non-users had previous experience with FWAs, and 38 percent were considering FWAs. Most FWAs had been in place for two or more years.

There is no question that FWAs help individuals manage their work and personal commitments:

- 81 percent of users said FWAs made them more effective in managing work/family responsibilities, 18 percent said they were equally effective; their managers concurred.
- Despite the fact that FWAs were originally conceived under the work/family umbrella, less than half of the users stated family responsibilities as their reason for having an FWA; 52 percent cited phased retirement, continuing education, community involvement and personal interests as their motivator.
- Employee health and well-being were also affected by workplace flexibility; 70 percent reported lower stress; almost a 13 percent increase in those reporting lower levels of employee stress from 1994 levels; 65 percent reported having more energy.

Individual performance and organizational benefits were well documented.

- The majority of participants felt that FWAs were extremely important (users: 83 percent stated extremely important, 15 percent somewhat important; managers: 73 percent extremely important, 26 percent somewhat important).
- FWAs have been very effective as a retention tool, 36 percent of users said they would leave if FWAs were not available.
- Users, non-users and managers believe that the opportunities for advancement for employees on FWAs are the same or better (users: 78 percent, non-users: 84 percent, managers: 90 percent).
- Results showed 47 percent of RBCFG employees on a flexible work arrangement said they were more committed to the organization while 52 percent said their commitment remained the same since starting their FWA.
- Work performance measures also saw increases; 99 percent of managers indicated that job performance of employees

on FWAs remained the same (84 percent) or increased (15 percent).

- Employees (users and non-users) and managers concur that performance indicators, ability to meet deadlines, efficiency and productivity either increased or remained the same. In fact, 37 percent of managers reported employee efficiency had increased, representing a 12 percent increase since 1994.
- Employees using FWAs experience fewer unplanned absences from work, 63 percent of users said they were absent less often while 36 percent were absent the same amount of time.
- Employee satisfaction continues to be high; 94 percent of users were extremely satisfied and 4 percent somewhat satisfied – an increase of 16 percent from 1994.
- 97 percent of managers and 92 percent of non-users believed customers and clients received the same or higher quality of service from users of FWAs. Virtually all users concurred.
- A growing number of managers would highly recommend FWAs (63 percent in 1997, a 29 percent increase since 1994).

Some of the challenges of implementing FWAs reported by survey participants included managing increased workloads and expectations, focusing on bottom line results, dealing with traditional management behaviours and attitudes. Managers faced additional challenges scheduling vacations, meetings and training events, and managing unplanned absences. FWA users faced challenges preparing “business case” proposals, modifying job tasks, scheduling, and negotiating with managers. All of these issues can be effectively addressed through training and ongoing communication.

It is clear from the FWA impact assessments that:

- supportive managers, cooperative co-workers, quality of communication and supportive cultures are essential factors for success;
- the longer FWAs exist, the more comfortable people become with them and the more effective they become;
- with experience, managers are increasingly recognizing the positive business implications of FWAs and recommending them to others;
- communication of the programs and positioning them within a business context is key;

- managers' training is critical for increasing awareness and understanding, changing mindsets and behaviours and learning to apply and implement new initiatives;
- employees and managers find supportive cultures are practical, effective and desirable;
- FWAs support and enhance teamwork, organizational efficiency and effectiveness and personal and professional growth and development;
- employees using FWAs increase their job satisfaction, motivation, energy, creativity, and ability to handle stress and accommodate and facilitate change;
- FWAs are not career-limiting and are suitable for managers;
- FWAs help employees manage their responsibilities and be in control of their lives.

Flexibility in theory remains flexible in practice. RBFG has the most job-share teams in Canada. Over the years there have been many successful permutations to the original definitions and concepts. For instance, job share teams have been established that consist of three employees sharing two jobs; job sharers and job-share teams have been promoted (individually and together), and managers with supervisory responsibilities have been successfully job-sharing.

Men and women working as partners 1996

In spring of 1996 the Centre for Research and Education on Women and Work (CREWW) at Carleton University undertook a study on human resource and gender issues in the Canadian workplace (Duxbury, 1996). The study was sponsored in part by RBFG. The study focused on three distinct groups: academics, senior HR professionals, and executives with frontline responsibilities.

The primary purpose was to give decision makers and researchers some insights into what Canadian organizations were doing and what needed to be done to make it easier for men and women to work together as partners. Using telephone interviews and survey questionnaires, five main issues were identified: recognition of diversity as a business issue; measurement and accountability; finding the balance between work, family, and life; understanding gender differences; and inequalities in the workplace.

Work-life balance emerged as a priority issue. Both men and women felt that Canadian organizations needed to consider the following themes in the development of effective human resource management policies: work-family-life balance, flexible work arrangements, inequities in the workplace, and the impact of downsizing on opportunities for promotion. This was the impetus for further research and discussion.

Building bridges 1997

In 1997, in partnership with The Angus Reid Group and d~Code, an idea and strategy development firm, RBFG examined the quality of life of Canadians between the ages of 18 and 35 (nexus generation). Results indicate that the nexus generation has different needs from baby boomers. Nexus individuals are comfortable with diversity and uncertainty, confident in its skills and ability to interpret information and ready to take part in the new workplace. They are generally impatient with hierarchy and bureaucracy, and seek out entrepreneurial organizations that offer flexibility, responsibility, challenge, innovation, task variety, skill development, a sense of community and an opportunity to align personal values and business values.

Employees from the nexus generation value FWAs, sabbaticals, time off, casual dress and expect employers to respect and support work-life balance. Given that 60 percent of RBFG's new hires are from nexus, understanding their needs and priorities becomes critical for the development of effective recruitment and retention strategies. Work/life and flexibility initiatives form a solid platform for the workplace of tomorrow.

Employee wellness at RBFG 1998

In January 1998, RBFG commissioned a comprehensive employee wellness study that examined a variety of workplace and personal factors contributing to employee wellness and absenteeism (Duxbury and Higgins, 1998). Wellness was holistically defined as the physical, mental and emotional well-being of individuals. Factors studied included people management practices, work environment supports, work/family/personal balance, organizational climate and work attitudes.

Respondents reported extremely high levels of support from their managers, sufficient informal flexibility to meet personal demands and high levels of commitment and satisfaction with their jobs. The challenges identified

included "having too much to do – and not enough time". Nearly half reported high role overload, described as having too many demands as a parent, spouse and employee on one's time and energy. An interesting finding was that more men than women experienced role overload and that more men than women had pre-school-aged children. Effectively managing work and family/life responsibilities was identified as a continuing challenge for employees, along with high work expectations.

The research findings highlighted that RBFG, and corporations in general, must continue working to create a healthy and supportive work environment that recognises the needs of the "total person". Providing the work environment, supports and tools that enable employees to reach their full potential is critical to achieving success in a fast changing environment. Effectively dealing with work/life issues appears to be growing in importance within the corporate and social landscape.

Conclusions

One of RBFG's key performance drivers is to enhance employee capability and commitment to accelerate the achievement of business objectives. The work-family-life initiatives and workplace flexibility contribute to the attainment of this goal. According to AON Consulting, the most significant factor affecting employee commitment was management's recognition of the importance of personal and family life (AON Consulting, 1998). The research highlighted attests to the importance of work/life balance issues today and in the future.

The next few years will see the continuation and enhancement of existing resources and policies, more integration of work-family-life into operational practices, a focus on further solidifying the business case in support of the work/life agenda, and the strategic alignment of people management with business strategies. Further analysis on identifying the key determinants of employee commitment and understanding the intricacies of the employee-customer value chain will no doubt yield clearer evidence of bottom line linkages. As business units become more autonomous and accountable for their results, they will have the flexibility to creatively use and develop customized initiatives to respond to the

diverse needs and preferences of their employee populations.

As RBFG moves through significant change, investment in the work/life and flexibility arena will continue. These strategies will be key in helping to create a healthy, supportive and flexible workplace (Duxbury, 1998). RBFG will continue to share key learnings and research findings with interested parties. Opportunities for increased collaborative partnerships with business, government and community agencies will be sought at both the local and national levels. Ultimately, cooperation, collaboration and collective efforts will have the greatest impact and generate the most effective and efficient change in the future.

Note

- 1 See Canadian Work & Family Services and Royal Bank (1994), and Royal Bank Financial Group (1998). The principal researcher in both studies was Nora Spinks.

References

- Angus Reid and Royal Bank (1997), *Workplace 2000, Being Bold is Back*, Royal Bank Financial Group, Toronto.
- Angus Reid, Royal Bank and d~Code (1997), *Workplace 2000, Building Bridges: New Perspectives on the Nexus Generation*, Royal Bank Financial Group, Toronto.
- AON Consulting (1998), *America @ Work: An Overview of Employee Commitment in America*: [On line], Available: <http://www.aon.com>
- Canadian Work & Family Services and Royal Bank (1994), *Impact Assessment of Flexible Work Arrangements*, Royal Bank Financial Group, Toronto.
- Duxbury, L. (1996), *Men and Women Working as Partners: A Reality Check of Canadian Organizations*, Centre for Research and Education on Women and Work, Carleton University School of Business and Royal Bank of Canada, Ottawa.
- Duxbury, L. and Higgins, C. (1998), "Employee wellness at RBFG: January 1998", (Internal Report) Royal Bank Financial Group, Toronto.
- Macbride-King, J. (1990), *Work and Family: Employment Challenge of the 90's*, (Report Number 59-90), Conference Board of Canada, Ottawa.
- Paris, H. (1989), *The Corporate Response to Workers with Family Responsibilities*, (Report Number 43-89), Conference Board of Canada, Ottawa.
- Royal Bank Financial Group (1998), *Flexible Work Arrangements Impact Assessment: A Special Report from Royal Bank Financial Group, Survey Highlights*, Royal Bank Financial Group, Toronto.
- Spinks, N. (1998), *The Manager's Work-Family Tool Kit*, Vanier Institute of the Family, Ottawa.