

# Flexible Working Mums



A study of mothers returning to work  
across the globe

**A global report from Regus**

December 2009

## Management Summary

- Nearly half of the global business population (44%) anticipates hiring more part-time mothers returning to work in the next two years
- The increase in hiring returning mothers is set to be the highest in India, with 64% of employers expecting to take more on board
- Australia, Mexico, South Africa and China all have above-average intentions with regard to hiring more part-time mothers, while businesses in Scandinavia anticipate hiring the smallest number over the next two years
- Employers in large companies (1,000+ employees) are slightly more likely to include more part-time mothers in the workforce (47%)
- While 44%-47% of businesses in most sectors intend to hire more returning mothers, the male-dominated ICT sector has notably below-average hiring intentions (39%)
- Following an economic downturn, it is vital to seek out the best talent – including amongst new mothers – and cater to their individual needs
- However, the treatment of mothers in the workforce varies significantly across geographies, indicating that there is much progress to be made with regard to easing the transition back to work
- Flexible workplace solutions for returning mothers could allow more women to comfortably maintain the work-life balance and thereby contribute to economic recovery

## Introduction

While most world economies have announced a technical exit from recession, the end of quarter-on-quarter decline in output does not signal a full economic recovery. Expert commentators have firmly noted that basic economic indicators, such as GDP trends, tend only to be forward indicators of economic movements that often take a further 6-12 months to become firmly established<sup>1</sup>. Regus' own twice-yearly global survey of economic health recently found that most major world economies do not expect the pace of recovery to have gained reliable momentum until the Summer of 2010<sup>2</sup>.

As businesses worldwide take the tentative steps towards palpable recovery, shifting workplace strategies are starting to emerge. Businesses have learned that adhering to a rigid 9-5, 5-days-a-week mentality with no room for flexibility can mean sacrificing talented workers – and in a time when companies are focusing on cutting costs and maximising profitability, firms cannot afford to operate without the best and brightest talent available.

The importance of maintaining an equal-opportunities workplace is well documented and established: the EU's Commissioner for Employment, Social Affairs and Equal Opportunities found that, if gender gaps in employment were eliminated, GDP in the EU Member States could increase by between 15%-45%<sup>3</sup>. While it is absurd to imply that a woman's value in the workplace diminishes if she starts a family, it is equally absurd to suppose that returning mothers will be satisfied and productive in a rigid, unsupportive post-maternity leave work environment.

For new mothers returning to part-time work, flexibility is of paramount importance. Employers welcoming women back from maternity leave or taking on mothers as new hires must recognise the myriad personal and professional challenges facing this portion of the workforce. By allowing mothers the ability to work in part from home, or only within viable hours, or otherwise shape their schedules to fit their family obligations, employers can create an environment that is conducive to higher productivity and lower stress levels for returning mothers.

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<sup>1</sup> See, for instance, Financial Times, *Indian companies expect early recovery*, 20<sup>th</sup> October 2009

<sup>2</sup> Regus, *Recovery and Renewal*, October 2009

<sup>3</sup> Gender for Growth, *Eliminating the employment gender gap can increase GDP*, 13 October 2009

## Returning Mothers around the World

In the wake of the economic downturn, there has been a worldwide recognition of the importance of paving the way for mothers to return to work. By making the workplace mum-friendly, employers can expand the talent pool within their organisations and ensure that this significant portion of the workforce has a smooth transition back to work. Across the globe, however, there are numerous challenges facing mothers returning to work and a wide array of regulations governing their treatment in the workplace.

### UK

A major obstacle for mothers returning to work is the significant difficulty that maternity leave can present for career ambitions. More than 40% of women work part-time, but the pay gap between women working part-time and men working full-time is 39.9% (against 12.8% for full-time careers), and part-time mothers are often overlooked for promotions. However, work and pensions secretary Yvette Cooper announced recently that employers will be expected to offer more part-time jobs for working parents under a major shift in government thinking on family life. Business secretary Lord Mandelson has delayed implementing such measures during the recession, but pressure from Cooper and the National Family and Parenting Institute might trigger a reversal<sup>4</sup>.

### USA

In the States, 71% of women with a child under the age of 18 are in the workforce. Of those, 76% are working full-time<sup>5</sup>. A recent study by the Pew Research Center found that working mothers are just as happy as stay-at-home moms in America, with 36% of both groups stating that they are 'very happy' with their lives. An absence of flexible working schedules, however, is taking its toll on working mothers: 62% stated that they would prefer to work part-time. Only 37% of working mothers would prefer to work full-time, compared with 79% of working fathers saying they would prefer full-time work.

In spite of the high levels of working mothers in the US, another challenge they face is the loss of seniority and promotions as a result of taking maternity leave. The survey revealed that 49% believe that they are being held back by the 'old-boy' network of top positions<sup>6</sup>.

<sup>4</sup> The Guardian, *Bosses to be told to offer more part-time work for parents*, 25 Oct 2009

<sup>5</sup> US Department of Labor, *Labor Statistics*, 2008

<sup>6</sup> Reuters Life, *Working mothers feel more rushed but are happy*, 2 October 2009

Working Mother compiles an annual list of the 100 best American companies for working mothers. Among the top companies, 100% offer flextime, on-site lactation and telecommuting, while 98% offer job-sharing and wellness programs. On a national level, however, a recent study by the Society for Human Resource Management found that only 25% of American companies offer on-site lactation facilities, 11% have stress reduction programmes, 35% offer health insurance for part-timers, and 16% offer job-sharing<sup>7</sup>.

### Australia

According to the Equal Opportunity for Women in the Workplace Agency's (EOWA) most recent survey (2008)<sup>8</sup>, 50.8% of large organisations now provide paid maternity leave to employees. This is an increase of 15% since 2003, but only a marginal increase (1.9%) between 2007 and 2008.

In order to combat the problem of women getting fired during their maternity leave, The Rudd Government's new Fair Work regime (implemented 1 July 2009) changed the law to put the onus on employers to show they have not offended in discrimination cases. President of the NSW Anti-Discrimination Board Stephan Kerkyasharian said pregnancy discrimination complaints have been on the rise for the past 10 years. He said the most common complaint is that employers make it difficult for pregnant women who ask for time off work to attend medical appointments<sup>9</sup>.

Australian mothers also reported issues with the absence of workplace flexibility: a survey conducted by the Australian Institute of Family Studies found that working mothers were often prevented by their employers from volunteering for (63%) and visiting (61%) their child's class activities. Finding suitable childcare presented a problem for 17% of women, and 38% indicated they would prefer to work less<sup>10</sup>.

### Germany

In recent years, establishing life as a working mother in Germany has been relatively difficult. A survey by the World Economic Forum in 2005 found that Germany ranked 20<sup>th</sup> among 58 developed nations in women's presence in the work force, 28<sup>th</sup> in job opportunities for women

<sup>7</sup> Business Wire, *Pfizer again named to working mother 100 best companies list*, 22 Sept 2009

<sup>8</sup> EOWA, *Survey on paid maternity leave*, 21 August 2009

<sup>9</sup> News.com.au, *Is Australia a great country for working mothers?* 4 October 2009

<sup>10</sup> AIFS, *Growing up in Australia*, 2008

and 34<sup>th</sup> in educational attainment – a low performance for a country close to the top in most other business categories. However, under the government of Angela Merkel, the policy of *Elterngeld* – “parent money” – was introduced in 2007. This marked Germany's first substantial maternity-leave policy, which offers up to \$2,800 a month for a year (or for 14 months if the father takes time as well). This is in comparison with the few weeks’ worth of paid leave that Germany had offered before.

The policy is essential not only for assisting parents who need to work in order to support their families, but also for sustaining government programmes. With an average of 1.3 children per family, Germany has the lowest fertility rate in Europe and therefore a dangerously close ratio between pensioners and taxpaying workers. Paving the way for mothers to enter or return to the workforce is part of the solution to sustaining the funding levels needed to support retired Germans<sup>11</sup>.

### Spain

The presence of returning mothers in Spanish businesses is complicated by the overall gender gap in the workforce. While 52% of Spanish women are in the workforce, Spain is still below the OECD average (56%). Furthermore, Eurostat’s figures demonstrate a rather high 24% gap between male and female participation rates.

The figures illustrate that lacking public welfare resources and the emphasis on women's responsibilities in the home directly affect the availability of women to participate in the labour market. According to research by the Instituto de Mujer, maternity/paternity leave is still also mainly taken by women. In 2000, leave was requested by 99% of working mothers 00 this figure improved by only 0.6% in 2003, demonstrating that the roles and distribution of the domestic workload are slow to change<sup>12</sup>.

### France

French labour statistics demonstrate that French women find it easier to enter and remain in the workforce than other European counterparts. The employment rate of women is particularly high in the 25 to 54-year-old age bracket (80.2% in France, versus the 75.5% EU-27 average), which encompasses the time period in which women often choose to start families. Only 29% of 25-

<sup>11</sup> The Globe and Mail, *In Germany, mothers get some respect*, Sept 2009

<sup>12</sup> OECD, *Babies and Bosses: Key Outcomes of Spain compared to the OECD average*, 2005

54-year-old French women with at least one child under 6 do not work outside the home, as against an average of 35% in the EU-25, showing that, comparatively speaking, French women find it easier to reconcile working and family life. The French fertility rate of 2.0 children per woman, one of the highest in Europe, reflects this situation<sup>13</sup>.

France has particularly favourable maternity leave policies, with women being granted a minimum 16 weeks leave (including pre- and post-natal) that increases with each child and may be, in part, transferred to paternity leave. Salaries are often paid by the social security system, although employers may arrange to supply the normal salary during the period of leave. Women are protected from job loss during this period and return to full seniority<sup>14</sup>.

### The Netherlands

In an effort to increase the number of mothers holding paid jobs and to encourage them to take on more hours, the Dutch government established the Social-Cultural Planning Bureau (SCP) to monitor the participation of mothers in the labour force. In their most recent report, the SCP found that two-thirds of Dutch mothers with children up to the age of 12 have paid jobs, and work on average 19 hours per week.

The government's concern with encouraging mothers to take on jobs is based on the economic necessity of expanding the workforce. While Dutch mothers traditionally exit the workplace for a period after delivery and a third of them will not return to work, there are simply not enough people in the Dutch workforce to achieve economic stability and growth<sup>15</sup>.

### India

Ensuring the rights of mothers returning to the workplace is also a growing concern in developing economies, but there are still significant strides to make. Although attitudes towards working mothers have changed over the past few decades in the large urban centres of India, rural businesses are still demonstrating reluctance to treat working mothers fairly. In such areas, women must struggle with the lingering notion that they are meant to take care of children, and re-entry to the workforce is seen as a betrayal of traditional gender roles.

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<sup>13</sup> French Embassy, *Women in French society today*, Nov 2009

<sup>14</sup> Ibid

<sup>15</sup> Social-Central Planning Bureau, *Mothers, work and childcare*, Aug 2007

In the public sector, however, women are now granted two years of service-paid maternity leave – these two years are in addition to a mandatory 90-day post-delivery leave, and can be spread out over a series of smaller segments. Women are free to take advantage of this policy without experiencing a negative impact on their seniority or regular promotions. There is significant pressure for the private sector to be forced to adopt a similar policy, as women rarely receive more than the 90-day leave and are often overlooked for promotions or advancement. Even unmarried, childless women are viewed as a threat, as they have the potential to start a family and duck out of the workforce to tend to maternal responsibilities.

Another challenge facing working mothers in India is the level of resentment from male co-workers that has developed as a result of the new legislation. Men make up 70% of the Indian workforce, but they are not granted generous paternity leave packages. Without the introduction of a comparable package for men, this resentment is bound to increase<sup>16</sup>.

### China

Efforts to increase flexibility for women returning after maternity leave have made significant progress in China. In 2007, the Chinese government took action to protect the rights of working mothers. The Protection of Women's Rights and Interests act states that pregnant or nursing women can be moved to a new post but must keep the same pay. The previous law stipulated that their 'basic wages' must remain the same, but enterprises were able to reduce the salaries of pregnant workers to minimum wage under this rule. The law also states that pregnant or nursing workers are entitled to have their work load and work time reduced. Additionally, it is mandated that employees should get at least 80% of their salary when on maternity leave<sup>17</sup>.

Willingness to demand that rights are granted seems limited amongst many new mothers returning to the workforce. According to Regulations Concerning the Labour Protection of Female Staff and Workers issued by the State Council, working mothers with babies under 1 year are entitled to two feeding breaks daily, each one lasting 30 minutes. However, many women are either unaware of this provision or unwilling to demand that it be honoured<sup>18</sup>.

<sup>16</sup> Reproductive Health Reality Check, *New laws in India target mothers' workplace equality, leave out fathers*, 11 December 2008

<sup>17</sup> Shanghai Daily, *Benchmark deal for mothers in the workplace*, 28 April 2007

<sup>18</sup> Global Times, *Breast-feeding a burden for working mothers*, 21 Sept 2009

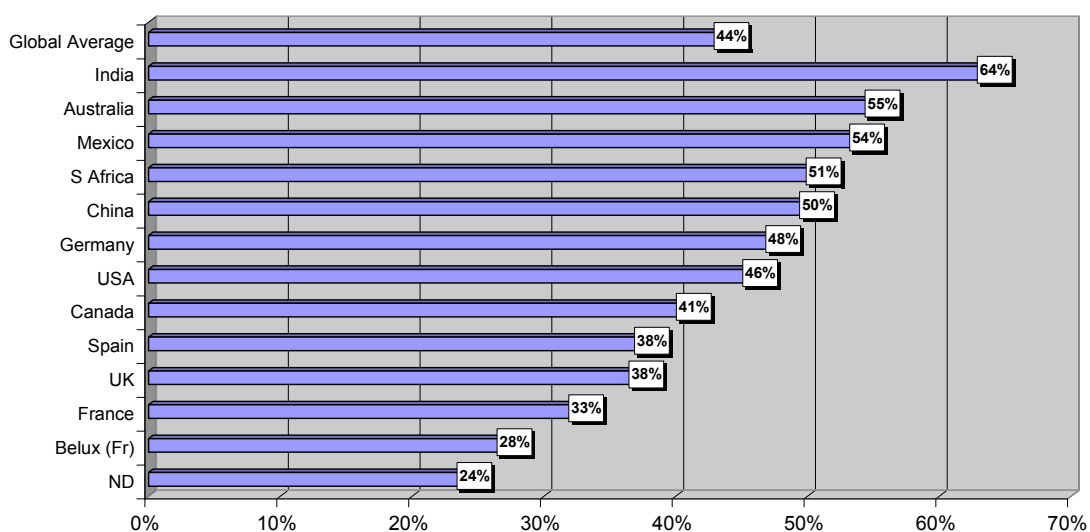
## Returning Mothers – the New Research

Clearly, there is much progress to be made across the globe in easing the transition for women returning to work after maternity leave. A significant element of this progress is embodied by how many mothers are employed post-maternity leave and how willing employers are to actively seek part-time mothers for their workplace.

Rarely are studies of this issue conducted on a consistent basis across the world. In order to provide initial insight into how hiring levels compare across selected developing and mature economies across the globe, Regus commissioned research amongst its 1 million strong international business contact base. Over 11,000 respondents from thirteen major countries provided their hiring intentions with regard to returning mothers in the workplace, and the resulting statistics offer a consistent comparative basis for commentators, analysts and business managers interested in the issue<sup>19</sup>.

In overview, business people were asked whether or not they expect their use of part-time mothers returning to work to rise in the next two years. Regus found that 44% of the global business population does expect to see more returning mothers in their work environments over 2010 and 2011.

### Businesses expecting to hire more returning mothers over the next two years



<sup>19</sup> 11,000+ respondents; business decision makers; representative sample by company size and sector; 13 countries – USA, Canada, Mexico, UK, France, Germany, Netherlands, Belgium, Spain, South Africa, India, China, Australia; research period – August to October 2009; online survey; margin of error +/-<1%

Confirming research figures that indicate progressive measures in India towards mothers in the workplace, Regus found that Indian businesses by far intend to make the most use of mothers returning to part-time work over the next two years. As the Indian economy continues to grow in spite of the global recession, it may be that business leaders are recognising that catering to the needs of talented workers – including mothers returning from maternity leave – can lead to increased productivity and profitability.

Non-European countries in Regus's survey made a particularly strong showing with regard to their hiring intentions. More than half of respondents in Australia, Mexico, South Africa and China indicated that they expect to hire more returning mothers in 2010-2011, while businesses in Germany and the US were also above the global average. Conversely, less than a quarter of Dutch respondents – 24% – indicated that they will be hiring more part-time mums over the next two years.

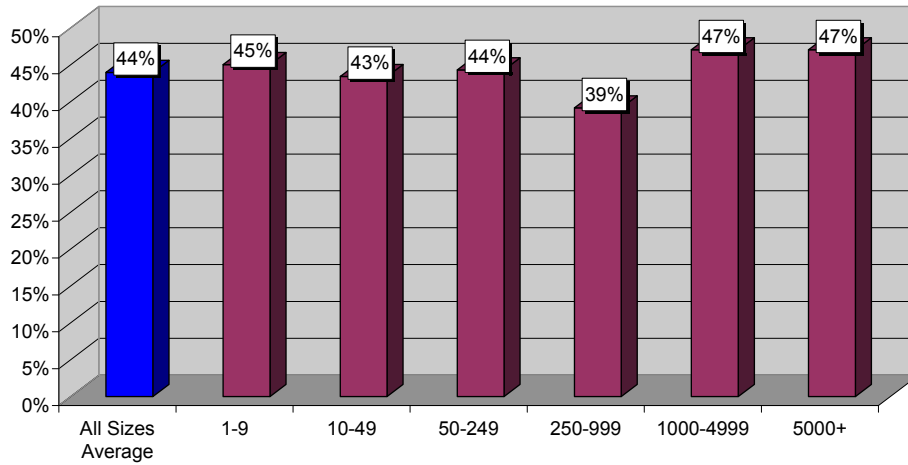
The findings in the Netherlands are particularly interesting given the efforts by the Dutch government to increase the number of mothers in the workforce. While encouraging women to re-enter the workplace is of paramount importance for the health of the Dutch economy, statistics indicate that it is also essential to help women maintain a sustainable work-life balance: with the Dutch birth rate averaging just 1.7 children per woman, the long-term maintenance of the economy and welfare state will depend on a substantial increase in the current birth rate<sup>20</sup>. The dual challenge of encouraging women to return to work and making it easier for couples to have larger families marks a formidable task.

On the global level, size of company seems to have little impact on firms' intentions to take on more returning mothers in 2010 and 2011. In terms of slight variations in the Regus survey statistics, larger firms (1,000 employees plus) expect to see more part-time mothers in their workplaces, whereas firms of 250-999 employees expect to see fewer than any other size bracket.

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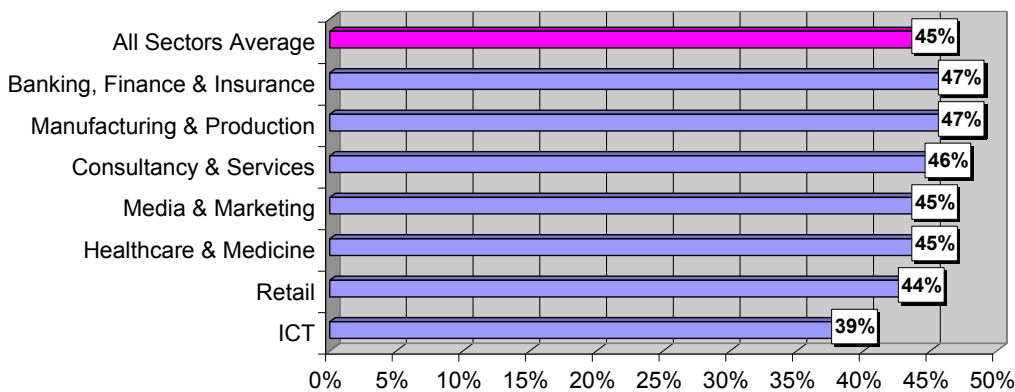
<sup>20</sup> Social-Central Planning Bureau, *Mothers, work and childcare*, Aug 2007

### Businesses expecting to hire more returning mothers over the next two years by company size



Sector variations were also apparent, with the banking and manufacturing industries intending to take on more returning mothers, and the ICT sector intending to take on fewer. The latter figure may be a result of the ICT sector being historically male-dominated: if there are few women in the industry to begin with, it is unsurprising that ICT businesses are less likely to take on a great number of new mothers as part-time employees.

### Businesses expecting to hire more returning mothers over the next two years by sector



## Conclusion

This research study has provided a consistently gathered set of statistics on anticipated growth in hiring returning mothers in the wake of the global recession. The study offers a selection of representative mature and emerging economies across the globe.

While we have seen that companies intend to take on more mothers as part of their strategy to combat the financial downturn, there is much work to be done in making the transition from maternity leave back to the workforce as smooth as possible. Allowing mothers to take advantage of flexible workplace solutions demonstrates an understanding for the challenges that they face and paves the way for them to be more productive and less stressed at work.

One of the most significant factors in improving employees' work-life balance is offering the flexibility to work remotely, either in whole or in part. Flexible workplace solutions are now available which allow corporations to offer new mothers the ability to work in whole or in part from home, have a hot-desk capability in multiple locations, call on meeting room or working facilities as needed, and a host of other workplace possibilities. By taking advantage of such measures, businesses worldwide will be better positioned to attract and retain the most talented personnel to their working environments.

## Methodology

11,007 business present respondents from the Regus global contacts database were interviewed during August and September 2009. The Regus global contacts database of over one million business-people worldwide, is highly representative of senior managers and owners in service businesses across the globe. In this second research project to be publicly issued, respondents were asked about their commute to work and impacts (if any) it had on their personal and business life. The survey was managed and administered by the independent organisation, MarketingUK.

To arrange a briefing regarding this research please contact the Regus Research Team on +44 (0) 1932 or email [andrew.brown@regus.com](mailto:andrew.brown@regus.com)

## About Regus

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

Over 500,000 clients a day benefit from Regus facilities spread across a global footprint of 1,000 locations in 450 cities and 75 countries, which allow individuals and companies to work wherever, however and whenever they want to. Regus was founded in 1989 in Brussels, Belgium and is listed on the London Stock Exchange (LSE:RGU).

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