



Mother's Day?

A study of trends in hiring working mothers across the globe

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Management Summary

In a worrying development for equal opportunities across the globe, this latest research report from Regus has shown that the proportion of firms intending to hire more working mothers has slumped by one fifth since the same time last year. Compared to a year ago, when 44% of companies planned to hire working mothers, only 36% expect to do so in 2011¹. These findings will be of particular concern to women's groups as overall employment prospects brighten with the accelerating global economy in the New Year. The new study also reveals a residual proportion of businesses who continue to harbour concerns about employing working mothers, along with some detail as to what those concerns are.

¹ <http://economix.blogs.nytimes.com/2010/10/12/the-spousal-safety-net/>

Key Findings

- ▶ Compared to a year ago 8% net fewer companies globally intend to hire returning mothers.
- ▶ The highest falls in intentions to hire working mums are found in South Africa (20% net), in the USA (18% net), in Spain and Germany (15% net).
- ▶ Only in the Netherlands have companies increased their expectation to hire more working mothers, up 4%.
- ▶ 31% of businesses have concerns about hiring returning mothers. These range from: the worry they may shortly take time off to have another baby; to lack of commitment; to out of date skills.
- ▶ However, more than double that number - fully 72% of firms - appreciate working mums as a valuable part of the employment pool.
- ▶ Net appreciation of returning mothers is highest in Japan (54%), Mexico (48%), Australia and Canada (38%) and lowest in India (11%) and South Africa (17%).
- ▶ Main concerns with hiring working mums are: lack of commitment (37%), risk of another maternity after a short time (33%), and out of date skills (24%).
- ▶ There is wide consensus (87%) that flexible working practices are family friendly suggesting that these measures are ideal to retain and attract this part of the employment pool.
- ▶ 70% of businesses also believe that flexible working practices are less expensive than fixed working.

Introduction

Stabilising the employment market is paramount if the upturn is to last and take hold

As world economies step out of the downturn employment prospects are improving. In the UK alone the Office for Budget Responsibility predicts that companies will increase their staff levels in the coming years in order to contrast growing skill shortages.² In Canada falling unemployment figures arrive in tandem with an increase in part-time opportunities as part-time work rose by 26,700 jobs while full-time work fell by 11,500 positions. In developed and developing countries governments agree that the importance of stabilising the employment market is paramount if the upturn is to last and take hold.

Chinese hiring in 2010 was particularly aggressive in the luxury, professional services and mid-market consumer goods segment.³ In the USA, where the see-sawing of the job market looks set to continue, positive indicators such as an increase in lending to small firms and the Labor Department declaring in November 2010 that jobless claims fell to 407,000, down 34,000 from the previous week, the lowest since July 2008 contrast with the news that the graduate job market is looking bleak.^{4 5}

Employment prospects, however, are not equally bountiful across the pool of job seekers. Not only are graduates with their lack of experience-acquired skills finding it hard to find employment but in Spring 2010 a survey commissioned by Regus found that prospects for women have worsened since the onset of the recession. However, as businesses invest in growth their need for suitable abilities and skills sets required to grasp the opportunities offered by the upturn is also bound to increase exponentially. Returning mothers are therefore likely to be more and more valued as an important segment of the prospect pool.

In addition to this, globally businesses are feeling even greater pressure to maintain lean operations leaving capital readily available for strategic investment. More flexible workers and particularly part-time workers, once overlooked for fear of lessened commitment, look set to take on an increasingly vital role within agile businesses that are ready to adapt to unexpected market conditions.

2 <http://www.skillsprovision.co.uk/latest-news/skills-shortages-conflict-recruitment-plans-0749>

3 <http://english.cri.cn/6826/2010/11/24/2021s606755.htm>

4 http://www.usatoday.com/money/smallbusiness/2010-11-26-hiring26_CV_N.htm

5 http://www.usatoday.com/money/economy/employment/2010-12-06-collegegrads06_ST_N.htm

Working Mums: Trends Around The Globe

The impact of the recession on working mums has been less than on women as a whole

Currently in the UK around 12,658,000 working age women are in paid employment and around 40% of these work part-time. Compared to the last recession women are reported to be making a greater financial contribution than ever before to their families. The high number of women in the public sector and the expected job cuts in this segment will drive up female unemployment noticeably.⁶ In the States part-time work is less common: in 2009, 66 million women were employed: 74% in full time jobs and 26% on a part time basis. Women were mostly (40%) employed in management, professional and related occupations.⁷

In Spain it is reported that around 15% of women do not return to the employment market after child birth due to a lack of part-time work.⁸ In Australia, significant measures such as The Rudd Government's new Fair Work regime (implemented 1 July 2009) clamped down on maternity leave discrimination but complaints that employers make it difficult for pregnant women to attend medical appointments are still frequent.⁹

At the beginning of the economic upturn, global workplace provider Regus commissioned research canvassing the opinions of business leaders globally to uncover trends in hiring women and working mothers in the next year. In Spring 2010 dispiriting results revealed that 11% net of companies globally believed that the recession had indeed made hiring prospects for women worse. In particular firms in Spain (59%), China (47%) and South Africa (45%) regarded opportunities for women as bleak.

Six months on and the latest edition of the Regus survey finds that prospects for working mums returning to the job market are also not rosy, but better than those for women as a whole. Asked the same question a year ago, in 2009, 44% of companies declared that they would hire more returning mums in the coming twelve months. A year later 8% fewer confirm this intention. These results reveal that the impact of the recession on working mums has been less violent than on women as a whole and also points to the fact that this category is more valuable to employers in the upturn.

In order to provide a barometer of the appreciation by business of working mothers globally, the research compares a basket of appreciation factors with a set of concern factors related to hiring returning mums. Overall the survey found that 30% net of companies value working mothers.

6 <http://www.tuc.org.uk/extras/womenandrecession.pdf>

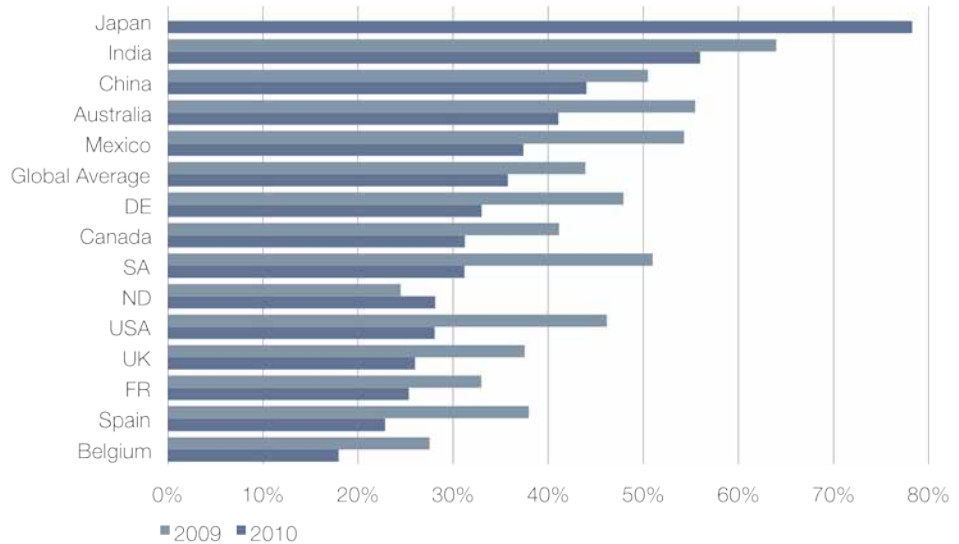
7 <http://www.dol.gov/wb/stats/main.htm>

8 <http://www.rnw.nl/english/article/dutch-women-spoilt-princesses>

9 [News.com.au](http://www.news.com.au), Is Australia a great country for working mothers? 4 October 2009

Intentions to hire part-time mothers

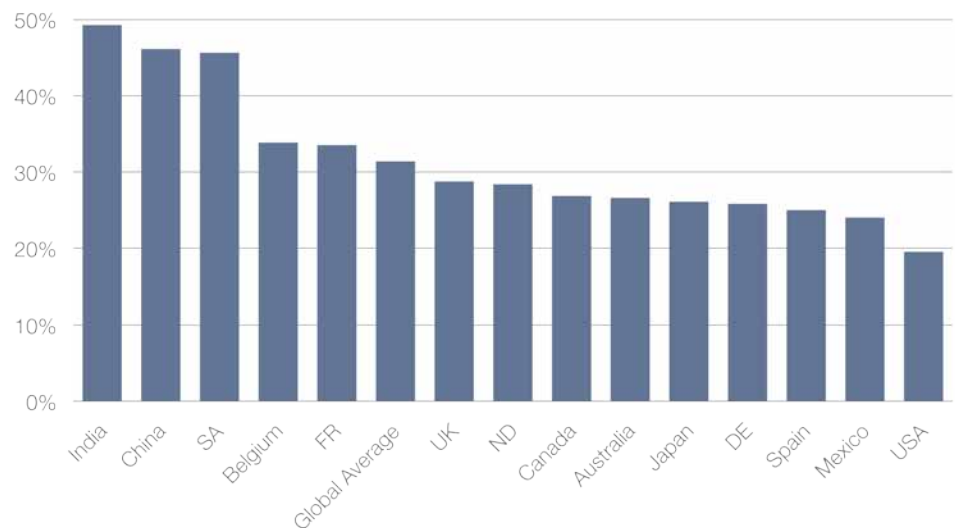
24% of respondents felt that the skills sets of returning mothers might be out of date



Firms globally were mainly worried that returning mothers would be unable to offer the same flexibility and commitment as other employees (37%) or that they would require time off for another child shortly after reemployment and investment in training (33%). Only 24% of respondents felt that the skills sets of returning mothers might be out of date.

Concern with hiring part-time mothers by country

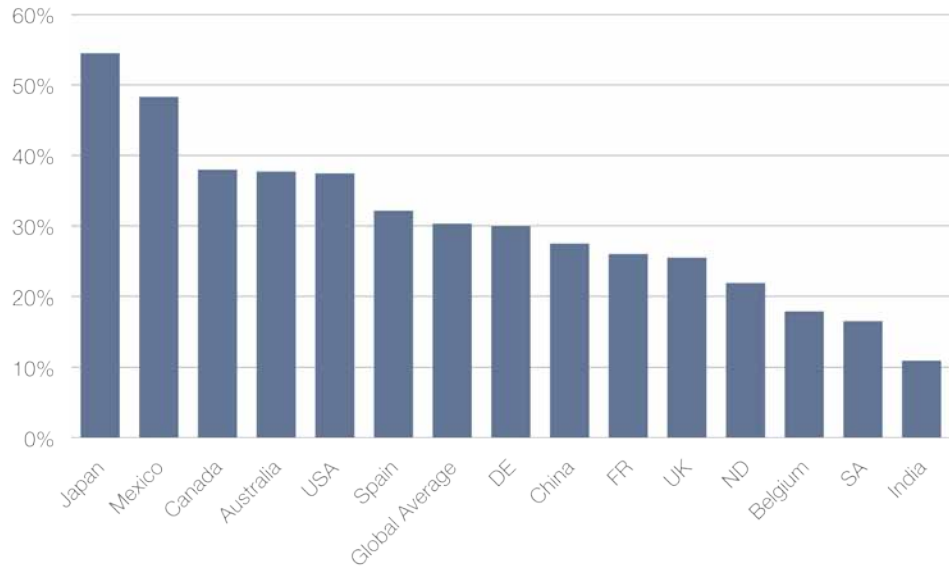
56% of respondents believe that returning mothers can bring important skills



In contrast, fully 56% of respondents believe that returning mothers can bring important skills that are currently difficult to find in the current employment market to the business that hires them. In addition to this, 57% of respondents canvassed agree that returning mothers are all the more valuable as they offer their experience and skills without demanding top salaries. It is not, therefore surprising to find that 72% of firms believe that companies that ignore working mothers are missing out on an important part of the prospect pool.

Net appreciation of part-time mothers

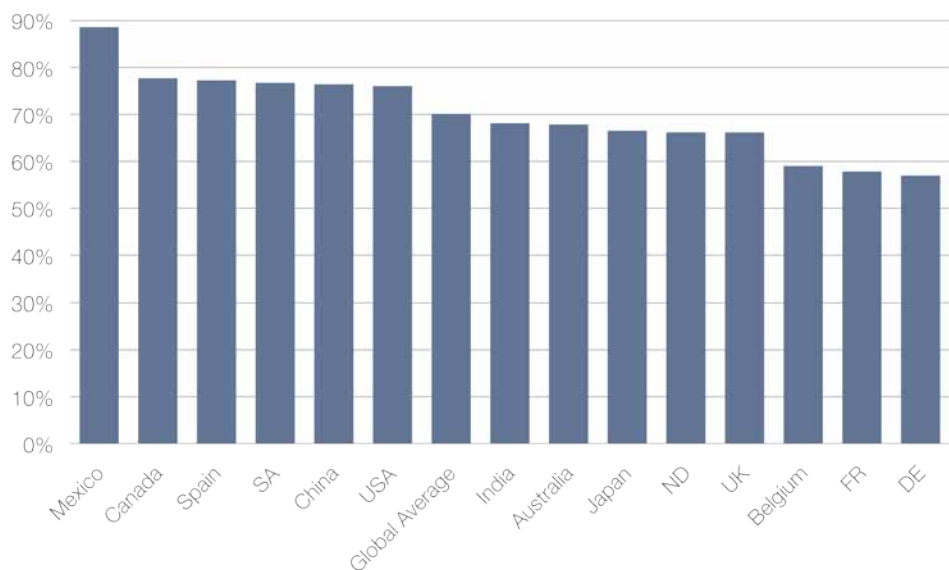
87% declare that flexible working is more family friendly



In emerging economies we find that concerns are higher than in more developed markets with net appreciation in India (11%) being the lowest overall. Companies in India (49%), in China and in South Africa (46%) record the highest levels of concern highlighting a correlation between low senior level female employment and difficulties envisaging strategies to retain and motivate returning mothers.

Nevertheless, with 70% of businesses recognising that flexible working solutions, whether these take the form of flexible working hours or location, are lower cost than fixed location working, and 87% of respondents declaring that flexible working is more family friendly improvements in work life balance are moving hand in hand with economical considerations. Flexibility is in fact becoming an essential feature of the work environment globally. Flexible hours and location measures are indeed particularly apt to attract and retain working mothers and their popularity is likely to provide a further stimulus to the growth in employment of this segment of workers.

"I believe that flexible working is lower cost than fixed location working"



Working Mums Around The Globe

UK

- ▶ In August 2009 in the UK 38% of firms were planning to hire working mothers. A year on, this number has fallen drastically to 26%.
- ▶ UK firms are less concerned than average that returning mothers' skills might not be up to date (17%).
- ▶ Although the number of UK firms showing concern about hiring working mothers is lower than the global average (29%), so are those showing appreciation (54%).

USA

- ▶ In early 2010, 35% of companies in the USA declared that the recession had made employment prospects for women worse and now, in late 2010, only 28% anticipate hiring more working mums compared to 46% a year before.
- ▶ Nevertheless 37% of USA companies are show net appreciation of returning mothers in the workplace.
- ▶ Companies in the USA are the least concerned about returning mothers taking time off to have another child (20%) or showing reduced commitment (25%).

France

- ▶ 41% of French companies are concerned about the level of commitment offered by working mothers.
- ▶ 74% of French firms believe that companies that ignore returning mothers are missing out on a valuable part of the employment pool.
- ▶ Only 25% of French firms plan to hire working mums in next few years compared to 33% the year before.

Germany

- ▶ 15% fewer German companies anticipate hiring returning mothers in the next few years compared to 2009.
- ▶ An above average number of German companies (73%) believe that companies ignoring working mothers miss out on a valuable part of the employment pool.
- ▶ German firms are less concerned than average that returning mums' skills might not be up to date (17%).

India

- ▶ In India the smallest net proportion of companies (11%) showed appreciation for returning mothers.
- ▶ Indian firms (52%) were particularly worried about the commitment shown by working mothers and that their skills may be out of date (45%).
- ▶ Compared to 2009 when 64% of Indian companies were planning to hire more working mums, now, in 2010/11, only 56% plan to do so.

China

- ▶ 50% of Chinese companies believe returning mothers' skills may be out of date and 40% fear they may leave shortly after training to have another child.
- ▶ Chinese companies recorded a 6% reduction year-on-year in their plans to hire working mums.
- ▶ Nevertheless 80% of Chinese companies believe that companies that ignore returning mothers are missing out on a valuable part of the employment pool.
- ▶ 70% value working mums because they offer experience and skills without demanding high salaries.

Belgium

- ▶ In 2009 28% of firms planned to hire working mothers, a year later just 18% plan to do so.
- ▶ Belgian companies show below average net appreciation of returning mothers (52%).
- ▶ Belgian companies are particularly concerned that working mums might not be able to offer the commitment of other employees (44%).

The Netherlands

- ▶ Only 79% of respondents believe that flexible working is more family friendly, well below the 87% average.
- ▶ The Netherlands is the only region where companies are planning to hire more working mothers than the previous year (up 4% net).
- ▶ Companies in the Netherlands show lower than average appreciation of returning mothers (50%) and are more concerned than average that their skills may be out of date (26%).

Spain

- ▶ Spanish companies record a 15% reduction in their expectations to hire working mums compared to last year.
- ▶ Firms in Spain show above average net appreciation of returning mothers (32%).
- ▶ In recession rocked Spain, fully 59% of companies declared that employment prospects for women had worsened in Spring 2010.

South Africa

- ▶ South African companies have reduced their expectations to hire more working mothers more drastically than anywhere else (20%).
- ▶ Net appreciation of returning mothers is well below average (17%) in South Africa.
- ▶ More than half of South African companies are concerned about working mothers taking time off to have another baby and showing less commitment than other employees.

Japan

- ▶ Japan had the highest proportion of companies planning to hire returning mothers, 78%.
- ▶ Japanese firms were also the most appreciative of working mothers (54% net).
- ▶ Fully 75% of Japanese companies value returning mothers because they bring skills that are not readily available in the current market.

Australia

- ▶ Australian companies present a 14% net reduction in their intentions to hire working mums compared to a year ago.
- ▶ Companies in Australia have a higher than average appreciation for returning mothers in spite of this (64%).
- ▶ Australia has the highest number of respondents (96%) who believe flexible working is more family friendly.

Canada

- ▶ Expectations to hire working mothers have fallen from 41% to 31% since last year.
- ▶ Canada reveals a 38% net appreciation of returning mothers.
- ▶ Fully 79% of companies in Canada believe that companies that ignore returning mothers are missing out on a valuable part of the employment pool.

Mexico

- ▶ Mexico is the country where the largest proportion of respondents recognised that flexible working is lower cost to firms than fixed location working.
- ▶ Mexican companies expecting to hire more working mothers have fallen from 54% to 37% year-on-year.
- ▶ 44% of respondents believe that work prospects for women in Mexico have been worsened by the recession.

Conclusion

As companies steadily start to break out of restrictions imposed by the downturn and go for growth, they are also finding that their ranks need repopulating with skilled staff. Although prospects for women are regarded as having worsened during the downturn it would seem that returning mothers are rapidly building a niche of appreciation for themselves in each country. By not demanding top salaries and bringing to an organisation their baggage of skills and experience they are increasingly being viewed as extremely valuable elements of human resource. Nevertheless, a proportion of companies still have some concerns about hiring working mothers, particularly that they may: leave to have another baby; offer less commitment; and present out-of-date skills.

As companies globally become accustomed to the notion that flexible working is less expensive, leaner and more adaptable to growth we are likely to see increased take up of flexible working practices (hours and location), which is likely to attract more working mothers to the workforce. This will be of concern to a range of interest groups, and suggests that the battle against prejudicial attitudes to working mothers has not yet been fully won.

Hand in hand with the need of firms to reduce fixed costs such as location comes the recognition by staff and employers that a more family friendly work environment is rapidly developing from a nice-to-have to an essential. Not only will skilled staff flock to firms that offer more flexibility towards mothers juggling school rounds and parents' evenings or that allow them to work from locations closer to home reducing a fruitless and frustrating commute, but they will be saving themselves significant costs. With solutions readily on the market, there is no excuse for companies that understand the value that returning mothers can bring to the organisation not to reach out to them with family friendly flexible work strategies.

About Regus

Regus is the world's largest provider of workplace 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 enables people to work their way, whether it's from home, on the road or from an office. Customers such as Google, GlaxoSmithKline, and Nokia join hundreds of thousands of growing small and medium businesses that benefit from outsourcing their office and workplace needs to Regus, allowing them to focus on their core activities.

Over 800,000 customers a day benefit from Regus facilities spread across a global footprint of 1,100 locations in 500 cities and 85 countries, which allow individuals and companies to work wherever, however and whenever they want to. Regus was founded in Brussels, Belgium in 1989, is headquartered in Luxembourg and listed on the London Stock Exchange.

For more information please visit www.regus.com

Methodology

Over 10,000 business respondents, including more than 5,600 business owners, from the Regus global contacts database spanning 78 countries were interviewed during August and September 2010. The Regus global contacts database of over 1 million business-people worldwide is highly representative of business owners and senior managers across the globe. Entrepreneurs were asked a wide variety of questions including ones about their recent revenue and profit trends, along with their main concerns and causes of stress in the past years. The survey was managed and administered by the independent organisation, MarketingUK.

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