

# WORKING HOURS IN A LARGE NEW ZEALAND CONSTRUCTION COMPANY

Emily Morrison and Derek Thurnell

*Department of Construction, Unitec Institute of Technology, Auckland, New Zealand*

Long working hours and weekend working are an integral part of many jobs in the construction industry, and are job characteristics that are linked to work-life conflict, which adversely affects employees' ability to achieve work-life balance. Furthermore, the industry's culture of long working hours limits its ability to attract and retain talented employees. Since much of the work-life balance research in the construction industry focuses on working hours, this research aimed to identify the typical working hours of the professional and managerial level staff within a single large New Zealand construction company. One hundred and twenty one (121) head office and site-based employees responded to an online survey. Results support the assertion that New Zealand construction industry employees tend to work long hours, and that work location affects working hour demands. Qualitative results suggest some work-life conflict associated with working long hours and weekend work exists. The New Zealand construction industry must provide a supportive workplace culture in which to address these issues, and provide reasonable working hours, in order to find a balance that is suitable to employees, companies, and the industry as a whole.

Keywords: contracting, human resource management, work hours, work-life balance

## INTRODUCTION

The construction industry has a pervading work culture that promotes long working hours, which is one barrier to its employees achieving work-life balance (De Cieri *et al.* 2005). Recent research in the Australian construction industry suggests that there is a significant inverse relationship between employees' weekly work hours and the quality of their work-life balance experiences (Lingard, Francis and Turner 2012). Other research in the Australian construction industry found that burnout, stress, high turnover, and work-family conflict is common (Lingard and Francis 2005).

There has been some recent research into work-life balance in the New Zealand construction industry (see Wilkinson 2008; Morrison and Thurnell 2012), but no empirical work has been done regarding working hours of New Zealand construction employees. Much of the work-life balance research in the construction industry focuses on working hours, and suggests that long working hours without long breaks adversely affects the ability to achieve work-life balance, and that long working hours are a barrier to utilisation of work-life strategies (Lingard *et al.* 2012). Further research to investigate within a single large New Zealand construction company, to identify the 'typical' working hours of its professional and managerial level staff, is therefore warranted.

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## WORKING HOURS

### Working hours in New Zealand

New Zealand has been significant internationally for its high proportion (22%) of full time employees working 50 hours or more per week, second only to Japan (with 28%) amongst OECD countries (NOHSAC 2008). One reason for this trend is that in the 1980s, employer groups in New Zealand began to criticise the lack of labour flexibility, and in response, the radical policy of deregulation of the labour market was introduced in the early 1990s, so that matters such as hours of work, pay and working conditions could be determined at the workplace level, by using individual employment contracts rather than the arbitration system of collectivized contracts.

One indication of the relatively long hours work culture in New Zealand is that the U.K., U.S.A. and Australia often use 48 hours or more a week to define long working hours, whereas New Zealand research tends to use a cut-off point of more than 50 hours a week (Department of Labour 2008: 3). However, only 68% of New Zealand workers are satisfied with their current work time, and fewer workers want to work more hours for more remuneration (Otterbach 2010).

A national work-life balance survey found that just over half of New Zealand employees experienced work-life balance, but a significant number experienced work-life conflict, and found it difficult to achieve work-life balance, for a variety of reasons. A major source of conflict was that many people worked long hours and unpaid additional hours, and many New Zealanders wanted more time away from work and flexible start and finish times (Department of Labour 2006). In a study of young New Zealanders, long working hours were found to significantly increase the possibility of work stress giving rise to depression and anxiety (Mackenzie 2008).

### Working hours in the New Zealand construction industry

The New Zealand construction industry has a culture of working long hours; workers are more likely to work very long hours than those in other industries, and have less employees working flexibly than in other industries (Department of Labour 2010; Skills Productivity Partnership 2012). The social costs of working long hours are considerable, and the New Zealand construction industry is similar to Australia's, where employees working extended hours and weekends reported issues such as marital problems and lack of rest, social life, and time for children (Townsend *et al.* 2006).

A number of the studies carried out regarding work-life balance in the Australian construction industry focus on working hours, perhaps due to the long hours employees within the industry typically work (see Lingard and Francis 2004a, 2005; Lingard *et al.* 2010a, 2010b, 2012; Townsend *et al.* 2006, 2011). The construction industry has multiple barriers to the development, implementation, and effectiveness of work-life balance initiatives, including an organisational culture that supports long working hours and high commitment (De Cieri *et al.* 2005). Research in the New Zealand surveying profession echoes this, concluding that the "culture of unsocial working hours... is very strong and employers do not discourage out of hours working" (Wilkinson 2008:127).

The New Zealand construction industry currently employs around 157,000 workers [ 8% of the New Zealand total] and accounted for 14% of new jobs between 2001 and 2011, and yet it contributes only 4% of national GDP (Skills Productivity Partnership 2012). However, a critical shortage of skilled workers is considered imminent, due to

pent-up demand for affordable new housing, and the much-anticipated rebuild of earthquake-damaged Christchurch (estimated at as much as NZ\$30 billion [US\$ 24 billion]). The emergent challenge facing the New Zealand construction industry is to develop the capability to attract, motivate and retain a highly skilled, flexible and - particularly at management level - adaptive workforce. Townsend *et al.* (2011) asserted that the [Australian] construction industry's long term performance is threatened by its inability to attract and retain talented employees, due to its culture of long working hours, and failure to respond to employees' work-life expectations; this is also the case in the New Zealand construction industry.

## **RESEARCH AIMS AND METHODOLOGY**

This research aims to identify the typical working hours of employees within a large New Zealand construction company, and to provide some insight on employees' views regarding their working hours and associated work-life balance issues, so that the needs of employees in the New Zealand construction industry are better understood. The research question is: 'What working hours do employees carry out in a large New Zealand construction company?' The research is exploratory in nature, as no previous studies have been undertaken on working hours in the New Zealand construction industry. The aim is to elicit a broad cross-section of empirical data from a large number of respondents, hence the use of a cross-sectional survey methodology, which produces data which is comprehensive and empirical, and provides a snapshot of the research topic at a specific point in time (Denscombe 2003). The sample population is professional and managerial staff, who all have work email accounts and computer access, and so it is deemed appropriate to use a web-based questionnaire in this instance. A possible limitation of this method is that employees who spend more time on their computer may be more likely to complete the survey, potentially producing biased data; however, this does not threaten the validity of the study. Furthermore, by having the General Manager of the company endorse the survey by sending out an initial email requesting employees participate in the study and assuring anonymity, respondents may be less likely to ignore the questionnaire.

## **RESEARCH METHOD**

Due to constraints regarding accessibility and permission, an opportunity sample of employees within one large New Zealand construction company was used. The company is relatively large, and is involved across all construction industry sectors and regions of New Zealand. By using an opportunity sample from one construction company, generalisations may not be valid; the generalisability of the findings to other large New Zealand construction companies would depend on how similar the companies are. However, collecting data from one company was considered appropriate, as this has advantages, for example "that context variables such as organisational culture, policies and procedures are controlled" (Lingard and Francis 2004b: 21).

All the company's professional and managerial staff in the Auckland region were emailed with the questionnaire instrument. The email included a description of, and reason for, the survey. The first page of the survey contained a consent clause to which the respondent was required to agree before carrying out the survey.

The questionnaire contained closed questions which requested demographic information, which included: age; gender; number of years worked in the construction industry; type of employment (full, part time or contract); job role, and work location

(site-based or head office). Respondents were also asked to indicate the average number of hours typically worked per week. No questions were mandatory; that is, there were no forced responses. Open questions were included at the end of the questionnaire, where employees could provide additional feedback regarding their working hours and any issues relating to work-life balance.

The demographic characteristics data of the survey sample were tabulated to show the response count and percentage for each demographic category. In addition, the data regarding working hours were tabulated to show response count and percentage of employees according to working hours depending on job role and job location. The responses to the open questions were coded, based on topic, and considered in the discussion to assist in drawing inferences regarding the results.

## **RESULTS**

Of a possible 174 respondents, 121 complete and usable questionnaires were returned (a 70% response rate). Table 1 shows the demographic characteristics and hours worked per week of the sample. (Note that not all respondents answered every question).

The mean age of the sample was undeterminable as responses were only given according to age bracket. The modal age was 40-49 years. Of the 120 responses to the question on gender, 108 (90%) were male while only 12 (10%) were female. Considering the number of years worked in construction, a relatively even distribution of respondents existed. Of the 113 responses regarding type of employment, the vast majority (104 respondents) had full-time working arrangements. Site-based employees made up 71% of respondents, while 29% were based off-site (in the head office). The largest groups of employees were quantity surveyors, estimators, and commercial managers (34% of respondents), and project managers, construction managers, site managers, package managers, and project leaders (33% of respondents).

Table 2 shows the hours worked per week by all groups of employees. Considering the two largest groups of respondents, for quantity surveyors, estimators, and commercial managers, 81% worked 40-49 hours per week, 12% worked 50-59 hours per week, and 5% worked 60 or more hours per week. For project managers, construction managers, site managers, package managers, and project leaders, 42% worked 40-49 hours per week, 43% worked 50-59 hours per week, and 15% worked 60 or more hours per week.

Table 1: Demographic characteristics of sample (n=121)

	n	%		n	%
Age			Type of employment		
Under 30 years	22	19	Full-time work	104	92
30-39 years	30	25	Part-time work	2	2
40-49 years	31	26	Contract work	7	6
50-59 years	26	22			
60 years +	10	8	Work location		
			On site	85	71
Gender			Head office	35	29
Male	108	90			
Female	12	10	Job description		
			Project managers*	40	33
Years worked in construction			Foremen, site managers	8	7
0-9	35	30	Site administration	8	6
10-19	27	23	Commercial managers**	41	34
20-29	28	23	Engineering services	7	6
30 years +	29	24	Upper management	6	5
			Other	11	9
Hours worked per week					
0-29 hours	2	2			
30-39 hours	5	4			
40-49 hours	69	57			
50-59 hours	36	30			
60 hours +	9	7			

\* includes project, construction, site, and package managers and project leaders

\*\* includes commercial managers, quantity surveyors and estimators

Table 2: Hours worked per week by job role (n=121)

Hours/ week	Project mgrs*		Comm mgrs**		Foremen, site mgrs		Site admin		Engineering		Upper mgmt		Other	
	%	n	%	n	%	n	%	n	%	n	%	n	%	n
0-29	0	0	0	0	0	0	12	1	0	0	0	0	9	1
30-39	0	0	2	1	0	0	12	1	15	1	0	0	19	2
40-49	42	17	81	33	50	4	50	4	58	4	33	2	45	5
50-59	43	17	12	5	50	4	13	1	29	2	67	4	27	3
60 +	15	6	5	2	0	0	13	1	0	0	0	0	0	0

\* includes project, construction, site, and package managers and project leaders

\*\* includes commercial managers, quantity surveyors and estimators

Table 3 shows the hours worked per week by head office (n=35) and site-based employees (n=85). For respondents based in the head office, 11% worked under 40 hours per week, 66% worked 40-49 hours per week, 23% worked 50-59 hours per week, and none worked 60 or more hours per week. For site-based respondents, 3% worked under 40 hours per week, 53% worked 40-49 hours per week, 33% worked 50-59 hours per week, and 11% worked 60 or more hours per week.

Table 3: Hours worked per week by location

Hrs/week	Head office (n=35)		Site-based (n=85)	
	%	n	%	n
0-29	3	1	1	1
30-39	9	3	2	2
40-49	66	23	53	45
50-59	23	8	33	28
60 +	0	0	11	9

## DISCUSSION

Only 17% of females were over 50 years of age, whereas 32% of males were over 50 years of age, a gender distribution which indicated a younger cohort of females in general. The low proportion, yet younger cohort of females suggests that these large construction companies are still largely male dominated, but that more females may be starting to enter the industry.

The findings on working hours are in line with much of the other related research (Lingard and Francis 2004a, 2004b; Lingard *et al.* 2010a, 2010b, 2012; Townsend *et al.* 2011) that reported that employees within the construction industry tend to work long hours. Considering all types of employees in the current New Zealand study, 37% worked 50 or more hours per week, and when considering full time employees only, 40% reported working very long (50 or more) hours per week. This percentage of respondents [40%] who work very long hours is identical to that of Lingard and Francis (2005) (whose respondents were from one private and one public sector construction organization in Australia). As presented earlier in Table 2, only 17% of quantity surveyors, estimators, and commercial managers worked very long hours (50 or more hours per week), while 58% of project managers, construction managers, site

managers, package managers, and project leaders worked very long hours. Working hours of the latter group are similar to Lingard *et al.*'s (2012) findings that between 47% and 53% of salaried and waged employees of an Australian medium-sized contractor worked in excess of 50 hours per week.

The results suggest that the necessity to work very long hours varied depending on job role. A possible reason for this is because of different demands within different job roles. For example, construction managers often have to meet very tight daily deadlines which may affect a project's overall progress and completion date, hence they may often feel the need to stay late or work weekends to meet these deadlines. Another possible reason for this is that the job characteristics of some positions such as site managers or superintendents necessitate supervision of subcontractors who are carrying out their work at weekends. When examining the difference between working hours by work location, it was shown in Table 3 that site-based employees worked longer hours than head office staff. Twenty-three percent of employees based in head office worked 50 or more hours per week, whereas significantly more employees that were based on-site (44%) undertook very long working hours (50+ hours per week), once again revealing a specific group of employees who were more prone to working very long hours. Similarly, Australian research found that site office-based employees of a large Australian construction firm worked longer hours (averaging 56 hours per week) than those in the head or regional offices (averaging 49 hours), and because of this, experienced higher levels of work interference with personal life, higher levels of exhaustion, and lower satisfaction with pay (Lingard and Francis 2004a).

Answers to the optional open ended questions regarding work hours and work-life balance issues included several responses which concerned the need for reduced working hours and/or reduced weekend work. The desirability of flexible work options such as flexible working hours was also apparent. One respondent expressed the view that long hours must be accepted as part of working in the construction industry: "The construction industry is an extremely challenging game to get into but the rewards are fantastic, not necessarily money-wise but from a personal achievement point of view. If you want to run a large project and have the outcome of success, you had better be prepared to put in the long hours. To do so, you need a very understanding family also."

MacKenzie (2008) concluded that employees within the Australian construction industry found their work very satisfying but they also were "collectively weary" about the overall adverse impact on family, mental and physical wellbeing that stem from the confrontational, high pressure work combined with long working hours characteristic of the industry (p. 53). Furthermore, recent research in the Australian construction industry found that lower weekly work hours were a significant predictor of overall satisfaction with work-life balance, and that those employees that worked very long hours (and hence had problematic work-life balance), were least able to rearrange their work hours in order to achieve greater work-life balance (Lingard *et al.* 2012: 292).

One respondent suggested "reducing the number of working hours [and] increasing the number of paid annual holidays in line with more EU countries." Another respondent suggested providing "at least every second weekend off" while another declared: "[Saturday work] should not be expected by head office and not be thought of as our standard week. Otherwise another pay structure should be put in place for the workers on a salary, that they are rewarded for it, being a day in lieu or paid time and

a quarter". These findings are not surprising; many New Zealanders working long hours do not receive any additional compensation for working overtime, and feel undervalued in terms of pay, and their lives outside of work (NOHSAC 2008). Research in the Australian construction industry has shown a division between waged and salaried workers, where waged workers aim to work overtime because of their pay structure, while salaried workers would either prefer not to work overtime or similarly be compensated for working overtime (Townsend *et al.* 2006). However, the use of lucrative "penalty rates" for overtime worked by waged workers in the New Zealand construction industry is rare, which perhaps explains the respondents' comments reported above. Moreover, white collar, salaried staff working long hours (who, regardless of actual hours worked, tend to be paid a yearly salary) are an important means of generating surplus value in the construction industry (Townsend *et al.* 2011).

One employee in the current New Zealand research expressed insight about work-life balance and working Saturdays as follows: "It is important that work does not override your family life. Partners and children should be recognized and appreciated as family life is often overlooked... e.g. Saturday working when most families are involved in sport."

One respondent suggested that monitoring work hours is a possible way of addressing the issue of long working hours: "monitoring work hours by keeping daily time sheets on high pressure jobs... ensures the right people and numbers are brought into projects to keep hours down, makes people more efficient by making them accountable for their hours of work [and] creates better time management". The New Zealand construction industry (unlike many internationally) is characterised by very low levels of unionisation, and individual employment contracts are the norm, rather than the exception, resulting in little constraint upon the number of hours worked per week. Indeed, long working hours is a matter of concern; in May 2012, the United Nations called on the New Zealand government to introduce a statutory maximum number of working hours in health and safety legislation, and expressed concern that some collective agreements failed to specify work hours (United Nations 2012).

Another employee expressed the need to reduce "peer pressure to be at work for longer when not necessary" and terms this "non-productive 'appearance sake' attendance". This is similar to findings in the Australian construction industry where employees reported "substantial levels of peer pressure within the industry in relation to working hours [and] pressure to be at work on Saturdays, even if there's nothing to do except read the paper" (Townsend *et al.* 2006: 14). Research involving a participatory work-life balance intervention in an Australian construction company found that, due to the long hours culture within the construction industry, even when employers allow some flexibility in working hours, there may be a gap between available flexibility and actual flexibility practised (Lingard *et al.* 2012: 293). Contracting companies aiming to increase competitive advantage need to develop a range of human resources strategies that embrace the changing societal attitudes and demographic trends of the workforce, and that empower employees with the use of more flexible working arrangements, including more control over work hours and schedules. Lingard *et al.* (2010) undertook a survey in Australia of waged and salaried project-based construction workers, and found significant correlation between job-related resources, including work time adequacy and flexibility, and work-family enrichment (p.476). The construction industry must meet employees' needs for more control over their working time arrangements in order to achieve better work-life balance; failure to do so will inevitably result in talented workers leaving the industry,



and future potential entrants to the industry choosing alternative careers, where more flexible working hours, and better work-life balance, may meet their expectations. Townsend *et al.* (2011) used four case studies in the Australian construction industry, implementing a working time intervention (i.e. a compression of the standard working week from 6 to 5 days), and found that this shift to a 5 day roster had few, if any, negative effects on the ability to achieve productivity targets on those work sites, and did lead to increased work-life balance of employees, i.e. "a standalone benefit at no significant cost to the organization" (p.82). Investigation into the potential for use of this compressed work week approach in the New Zealand construction industry warrants further consideration.

## **CONCLUSIONS**

The research aimed to identify the typical working hours of professional and managerial staff, both head/regional office and site-based, within a large New Zealand construction company. It was found that 40% of full-time employees worked very long (50+) weekly hours. Site-based managers tended to work longer average hours than their head/regional office counterparts. These findings are in stark contrast with the previously noted 22% of New Zealand workers overall who work very long hours (NOHSAC 2008). These findings on working hours are significant, as there has been no previous empirical research on working hours in the New Zealand construction industry, and they strongly reinforce the findings reported in the Australian construction industry, where a similar working culture of long hours exists, particularly amongst site-based workers (Lingard and Francis 2005; Lingard *et al.* 2010b; Townsend *et al.* 2011)

The research also obtained qualitative feedback regarding employees' working hours, and any associated issues relating to work-life balance, which suggested that there is some work-life conflict associated with working long hours and weekend work. These findings are also significant, as they, too, are consistent with sentiments expressed by workers in the Australian construction industry (Lingard *et al.* 2010a; Lingard *et al.* 2012).

In order to meet the future demands facing the New Zealand construction industry's workload capacity, and competitiveness, both clients and contractors need to do more to meet employees' increasing expectations regarding working hours and work-life balance. One of many solutions to the productivity problems within the industry will be recognition by all industry participants that the somewhat traditional work patterns, which still persist, need to change, by the adoption of human resources strategies which reflect wider society's need for better work-life balance.

The research relied upon respondents' subjective reports of their working hours and opinions regarding associated work-life balance issues. It did not attempt to record, or otherwise verify the actual hours worked by employees in a longitudinal study, nor did it attempt to implement a variety of working time interventions, such as flexible working arrangements, or compressed work weeks, and then explore any change in employees' opinions on work-life conflict issues associated with working long hours and weekend work. Future research could use a case study methodology (as has recently been done in the Australian construction industry - see Townsend *et al.* 2011 above) to investigate the impact of such flexible working arrangements or working time interventions on employees within a New Zealand construction company.

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