

# **Family-friendly Employment Practices**

## **Guidelines on Good People Management for the Catering Industry**

(Detailed version)



## **Preface**

Hong Kong's catering industry has been facing many challenges in recent years. Aside from operation costs arising from food ingredients and rents, employers' greatest concern is invariably the availability of sufficient manpower to meet increasing business needs. Meanwhile, the catering industry, when compared with other industries, is less appealing in terms of working hours, working environment and overall image. Given the strong demand for manpower in the labour market recently, the catering industry is at a disadvantage in competing with other industries for talents.

Harmonious labour relations are the key cornerstone for a favourable business environment. The implementation of good people management practices not only can enhance labour relations, but also provides an effective way to improve the working conditions and environment, boost the positive image of the industry, as well as retain and attract labour. Among the various good people management practices, rising concern has been found in family-friendly employment practices in recent years.

Traditionally, Hong Kong's catering industry values the importance of the employer-employee relationship in running businesses. For some time-honoured restaurants, employees even call their employers "Dad". Apparently, a good foundation has been laid for developing family-friendly employment practices in the catering industry. Nevertheless, these good people management practices, which can help employees achieve work-family balance, are yet to thrive in Hong Kong's catering industry.

In view of this, the Tripartite Committee on Catering Industry has formed a working group which serves as a platform to gauge the views and practical experiences of employers and employees in implementing good people management practices. The research team led by Dr Lee Shu Kam of the Business, Economic and Public Policy Research Centre, Hong Kong Shue Yan University, was commissioned to prepare working papers on the present and future of family-friendly employment practices in Hong Kong's catering industry, and to propose the way forward and the practical guidelines on promotion of family-friendly employment practices in the industry.

This Guide cites a widely used marketing model involving "Awareness, Understanding, Gladness, Action, Tradition", starting from making customers aware of a product and learn about its functions and benefits, and moving to stages of beginning to find it appealing, buying it, and getting used to it. Through this process, the model can help you, as an employer or a management staff in the industry, understand the needs for and benefits of implementing the practices and grasp the key to implementation.

Awareness – Learn about the real challenges faced by the industry, as well as its strengths and weaknesses

Understanding – Understand the benefits of good people management practices

Gladness – Glad to see the implementation of good people management practices in the industry

Action – Implementation of good people management practices as a means to create a family-friendly working environment

Tradition – Internalise the good practices so that they become the culture and tradition of the industry

### **Awareness**

In recent years, manpower shortage has been a common problem faced by various industries. The catering industry can only compete with other industries in the labour market if it has a clear understanding of its own strengths and weaknesses.

Knowing both yourself and your competitor can lead to victory. To compete with other industries, employers of catering industry must have a clear picture of their own businesses so as to rectify deficiencies and leverage their strengths.

Long working hours and heavy workloads are the main reasons for the less popular image of the catering industry. In addition, with a growing awareness of work-life balance, particularly among young workers, many job seekers are somehow reluctant to join the catering industry. Consequently, the industry is hard to attract new joiners, which in long term adversely affects the industry's skill inheritance and overall quality.

That said, the catering industry does have its own advantage in attracting talents. For instance, certain streams with a lower entry threshold and lower skill requirements are at an advantage in attracting workers, such as women, ethnic minorities and mature persons, who lack relevant work experience but aspire to join the industry.

By knowing its strengths and weaknesses, the catering industry can leverage its strengths to alleviate the existing problems of manpower shortage and poor image, etc.

### **Understanding**

As you become aware of the challenges currently facing the catering industry, what should you do, as a member of the industry, to help address the manpower and image problem of your restaurants or even the industry?

If you know how to leverage good people management practices to make improvements in the catering industry, you can strengthen the industry's competitiveness in various aspects, enhance its image and drive the industry forward.

Good people management practices embody the spirit of “law-abiding”, “equal and fair” and “people-oriented” throughout the employment process from recruitment to termination of contract.

	law-abiding	equal and fair	people-orientated
Recruitment and selection	<ul style="list-style-type: none"> <li>- Personal Data (Privacy) Ordinance, Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance and Race Discrimination Ordinance</li> </ul>	<ul style="list-style-type: none"> <li>- Consistent selection criteria</li> <li>- Meritocracy approach</li> <li>- Avoid all types of discrimination</li> </ul>	<ul style="list-style-type: none"> <li>- Good communication</li> <li>- Draw up clear and objective job descriptions</li> </ul>
Employment	<ul style="list-style-type: none"> <li>- Lawful employment conditions</li> <li>- Minimum Wage Ordinance, Employment Ordinance, Immigration Ordinance, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Written contracts</li> <li>- Equal contract terms</li> </ul>	<ul style="list-style-type: none"> <li>- Flexibly adjust working conditions</li> <li>- Commitment to obtaining employees’ prior consent in the light of any changes to employment conditions in future</li> </ul>
In service	<ul style="list-style-type: none"> <li>- Occupational Safety and Health Ordinance, Factories and Industrial Undertakings Ordinance, Employment Ordinance, Employees’ Compensation Ordinance, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Fair promotion</li> <li>- Equal training opportunities</li> <li>- Objective principles of reward and punishment</li> <li>- Develop evaluation standards</li> <li>- Internal consultations</li> <li>- Share surpluses</li> </ul>	<ul style="list-style-type: none"> <li>- Family-friendly employment practices</li> <li>- Staff communication and joint consultation</li> <li>- Employees’ participation</li> <li>- Ensure the safety and health at work of employees, including the provision of a safe and healthy working environment (Please refer to Appendices I and II for details)</li> </ul>
Termination of contract	<ul style="list-style-type: none"> <li>- Employment Ordinance, Employees’ Compensation Ordinance, relevant legislation on discrimination, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Payment for termination of contract is not less than statutory requirement</li> <li>- Impartial handling of dismissal cases to ensure that no discrimination is involved</li> </ul>	<ul style="list-style-type: none"> <li>- Reasonable and fair notice period</li> <li>- Various types of employee assistance</li> </ul>

Everyone has a family. Your employees are not only members of your restaurants but also members of a family with their own roles. Incompatibilities in their work and family roles will give rise to “work-family conflicts”. Family-friendly employment practices are good people management practices that can assist employees in accommodating their work and family responsibilities. These practices can be broadly classified into the following three categories:

- Flexible work arrangements, such as five-day work week, flexible working hours and other flexible arrangements on work and vacation scheduling.
- Special leave arrangements to accommodate employees’ family needs, such as marriage leave, parental leave, compassionate leave, different kinds of family leave, special casual leave and special prolonged leave.
- Livelihood support for employees, such as medical protection for employees and their families, child care support, employee counselling services, emergency financial support, lactation rooms at the workplace and family recreational activities.

### **Gladness**

Even if you are well aware of the challenges and the strengths and weaknesses of the industry, and the importance and benefits of implementing good people management practices, the measures will be useless if they fall short of employees’ expectations. If employees do not appreciate the advantages to be brought by the measures, the outcome will be counterproductive. Only by meeting individual needs and taking the easy way out can bring the greatest benefits to your business.

Meeting individual needs and taking the easy way out means to take measures that employees are most eager for, that are practicable and offer the greatest benefits to employers in terms of resources and feasibility.

This section reflects the views gathered by the research team of Hong Kong Shue Yan University through questionnaires, focus groups, interviews and canvassing the opinions of members of the working group formed under the Tripartite Committee on Catering Industry. The findings revealed that the following measures were considered the most feasible by employers of four types of restaurants in Hong Kong and are most welcomed by employees.

#### ***Chinese- or Hong Kong-style food and beverage – large enterprises***

- Flexible working hours
- Short-term special leave under flexible leave arrangements to accommodate employees’ family needs
- Promotion ladder to support employees at their different life stages
- Family-friendly employment practices together with fair distribution of work

#### ***Chinese- or Hong Kong-style food and beverage – small and medium enterprises***

- Flexibility for employees to adjust the duty roster
- Compensatory leave for overtime work so as to promote work-family balance

- A leave system granting suspension from duty without pay to employees in need of prolonged leave
- Allowing flexibility for employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form

***Non-Chinese or non-Hong Kong style food and beverage – large enterprises***

- Flexible working hours
- Six days' paid leave per month
- Promotion ladder to support employees at their different life stages
- Staff benefits that are better than the statutory requirements and link to years of service

***Non-Chinese or non-Hong Kong style food and beverage – small and medium enterprises***

- Flexible working hours
- A leave system granting suspension from duty without pay to employees in need of prolonged leave
- Family-friendly employment practices together with fair distribution of work
- Allowing flexibility for employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form

**Action**

Things are easier said than done. However, if the good people management practices are considered in all dimensions, the catering industry can easily find a starting point in implementing family-friendly practices:

- Law-abiding: Whether it is necessary for the implementation of relevant measures to closely comply with the Employment Ordinance and other labour laws and whether the employers have a clear understanding of the statutory requirements.
- Business scale: Whether the business is large enough to support the implementation of the measures.
- Financial resources: Financial resources required for implementing the measures.
- Human resources: Whether the measures will give rise to additional manpower needs.
- Company policy flexibility: Whether the measures require flexible corporate policy support.

Different measures are subject to different requirements under the five domains: law-abiding, business scale, financial resources, human resources and corporate policy flexibility. The following pentagon indicates the extent to which “self-adjusted shift roster for employees” is required under the five domains. As far as this measure is concerned, flexible corporate policies are more critical. If the company has put in place complicated and stringent rules and regulations, this measure may not be applicable. If the company still wants to put the measure in force, it is recommended that consideration be given to enhancing policy flexibility, such as delegating more power to frontline supervisors to fulfil the operation need.

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	

Employers who want to know whether the measures are feasible in their restaurants may conduct a simple test by making use of the feasibility assessment tools at Appendix III.

### **Tradition**

In marketing, the term “Tradition” refers to cultivating a habit of buying a product among customers. With a view to promote good people management practices, create a family-friendly working environment to attract and retain talents and improve the image of catering industry, the industry must persist in internalising the good practices and making them become its culture or even tradition.

As the saying goes, “The closer to the chef, the closer to a delicious bite”. Offering free meals to employees has long been a norm in the catering industry, and become part of its culture and tradition. In times when life was much more difficult, free meals were really a sound attraction to new entrants. As time goes by, employees nowadays value much on the balance between work and family life. If employers can make it a habit to observe employees’ family needs, and gradually improve the measures that are favourable to achieving work-family balance, the catering industry can definitely build up a positive image through meeting employees’ family needs.

As long as the catering industry makes concerted efforts towards this goal, it can certainly revamp its image in respect of working environment and employment conditions. The industry will, instead, be associated with a people-oriented management culture striking for work-family balance.

## **Vision Statement**

The concept of family-friendly employment practices is still new to the employers and employees of the catering industry in Hong Kong. Some of them are even mistaken that the measures will bring along a heavy financial burden and additional administrative constraints. In fact, as long as the measures are implemented appropriately, the employers and employees of restaurants find that the measures are beneficial to both of them.

Since the measures are yet to be developed in the catering industry, there is much room for them to attain optimal results. The industry should seize this opportunity to develop a specific set of measures in light of their strengths and needs, in view of enhancing the image and competitiveness of the industry in the labour market.

Different types of restaurants may encounter certain degrees of resistance in implementing the measures due to their concern on resources, scale of business and financial considerations. Sometimes the resistance may come from employees. The research team of Hong Kong Shue Yan University found that though some employers were willing to implement these measures they considered to be feasible, employees might not be aware of the benefits involved, or even considered there was no need for implementation. As a result, they did not bother to give any support. In fact, it is not uncommon that employees reacted to changes in business policies or measures with fear. They may resist changes, even though the new measures will be beneficial to them. Communication is crucial to bridging this gap between employers and employees.

Through candid communication between both parties, employers can help their employees be “Aware” of the measures to be implemented; “Understand” the benefits to be brought by the measures and accept them. Employees are, therefore, “Glad” to see how their employers take “Action” on implementing and supporting the measures. Ultimately, the implementation of these beneficial measures will become a fine “Tradition” and culture of the enterprise.

In conclusion, the core principle of all types of businesses when implementing either good people management or family-friendly employment practices should be people-oriented. The practices should be conducted in a fair and equal manner without sacrificing flexibility in execution.



## **Appendix I**

### **Work Safety and Health Management**

#### **Safety and Health Management**

A safe and healthy working environment with pleasant working conditions not only can improve work efficiency, prevent accidents, protect employees from work injuries and health impairment, but also promote good labour relations. With effective safety and health management, employers can discharge their legal obligations by identifying and controlling possible hazards posed to employees at work, therefore ensuring employees' occupational safety and health.

To maintain a safe and healthy working environment, an employer should implement effective safety and health management measures, including the following:

- Develop a safety policy which clearly state the employer's commitments to safety and health at work;
- Establish a safety organisational structure to ensure implementation of the commitments to safety and health at work. Promote a positive "health and safety culture" for the implementation and sustainable development of the safety policy;
- Develop safety training programmes to equip all employees with the knowledge to work safely and without risk to health;
- Develop safety plans for identification of hazardous exposure and the risk of such exposure to the workers, and establish relevant measures to achieve the objective of controlling workplace hazards; and
- Set up a monitoring and review system to measure the effectiveness of safety and health measures.

## Appendix II

### Occupational Health in the Catering Industry

Lifting or carrying heavy objects, prolonged repetitive movements, prolonged standing and hot working environment are common health hazards to employees at work in the catering industry. These hazards may cause employees to suffer from musculoskeletal disorders (commonly known as repetitive strain injury), such as tenosynovitis of the hand or forearm and varicose veins of the lower limb, or illnesses associated with working in a hot environment, such as heat exhaustion and heat stroke. To prevent related hazards affecting the health of employees, both employers and employees must work together to implement appropriate practices. The following are some specific precautions for reference:

- **Prevention of musculoskeletal disorders**
  - + Adopt natural and comfortable working postures;
  - + Use suitable tools and equipment to reduce forceful or repetitive movements;
  - + Provide employees with training on proper lifting techniques;
  - + Provide chairs for employees to sit down to work if practicable;
  - + Arrange appropriate rest breaks for employees whose jobs require prolonged standing and provide chairs for them to take rest during the breaks;
  - + Encourage employees to do stretching exercises during rest breaks.
  
- **Prevention of illnesses associated with a hot environment**
  - + Use an effective ventilation system to remove the heat;
  - + Use stoves that emit less heat;
  - + Arrange employees to take rest breaks in a cool place;
  - + Provide cool drinking water;
  - + Encourage employees to drink more water;
  - + Provide suitable workwear or remind employees to wear suitable clothing, such as light-coloured and loosely-fitted clothing that does not pose a safety concern;
  - + Remind employees to pay attention to their physical conditions, and notify their supervisors and consult a doctor as soon as possible if they feel unwell.

For further information on occupational safety and health in the catering industry, please refer to the website or related publications of the Labour Department.

*(Note: Please be noted in this online English version:*

*(i) the plastic sheet and the sign pen mentioned below are not included; and*

*(ii) the pentagons mentioned are presented in tabulated format. )*

### Appendix III

A quiz on the feasibility of implementing family-friendly employment practices

#### Steps

1: Please answer the following questions according to the situation of your restaurant (please choose only one of the following three levels):

Domain	Question	Level		
		High/ Large	Medium	Low/ Small
Law-abiding	To what extent do you or the staff in charge of people management in your restaurant understand the requirements of the Employment Ordinance and other labour laws?			
Business scale	What is the scale of your business?			
Financial resources	To what extent do you think your restaurant can afford the financial resources required for implementing these practices?			
Human resources	To what extent do you think your restaurant can deploy the human resources required for implementing these practices?			
Corporate policy flexibility	What do you think about the flexibility of the relevant human resources policies of your restaurant (such as shift roster, leave arrangement and promotion system)? (In general, the human resources policies of small and medium restaurants are more flexible.)			

2. Use dots to indicate your choices of different levels regarding the five domains in Step 1 on the plastic sheet titled “A quiz on the feasibility of implementing family-friendly employment practices” affixed at the bottom of this page with the sign pen provided in this Guide. Then connect those five dots to form a pentagon.

3. Select your restaurant type from this appendix:

Chinese- or Hong Kong-style food and beverage – large enterprises (Page 12)

Chinese- or Hong Kong-style food and beverage – small and medium enterprises (Page 15)

Non-Chinese or non-Hong Kong style food and beverage – large enterprises (Page 18)

Non-Chinese or non-Hong Kong style food and beverage – small and medium enterprises (Page 21)

Turn to the relevant page of your restaurant type as mentioned in Step 3 above, and superimpose the small tool onto the pentagon printed on the page.

*Quiz results:*

If the pentagon drawn on the small tool completely covers the twilled pentagon on the relevant page of the respective practice, it suggests that your restaurant has sufficient capacity to implement the practice in the five domains of “law-abiding”, “business scale”, “financial resources”, “human resources” and “corporate policy flexibility”. However, any part that is not covered by the pentagon indicates that your restaurant should reinforce the complementary measures of that particular domain when implementing the practice.

	High	Medium	Low
Corporate policy flexibility			
Law-abiding			
Business scale			
Financial resources			
Human resources			

## Chinese- or Hong Kong-style food and beverage – large enterprises

### Flexible working hours

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding	✓		
Business scale			✓
Financial resources			✓
Human resources		✓	

- Most Chinese- or Hong Kong-style food and beverage – large enterprises have a regular shift roster system. Thus a flexible instead of rigid policy should be adopted when implementing flexible working hours.
- The more abundant human resources give large enterprises more room for manoeuvre in respect of manpower deployment to accommodate different working schedules. For example, in addition to the regular mode of recruitment, some large restaurants currently offer a “housewife shift” (namely from 8 am to 12 noon, or after 11 am) to accommodate female workers who have children, in order to fill vacancies that are hard to fill.
- Flexible working hours refer to the arrangement of working hours that accommodates employees’ family needs as far as possible. As a result, employees’ working hours may vary accordingly. Enterprises implementing such practice should take note whether an employee’s working hours satisfy the continuous contract requirement under the Employment Ordinance so as to provide relevant benefits. (For information about the Employment Ordinance, please refer to Appendix IV.)

### Short-term special leave under flexible leave arrangements to accommodate employees’ family needs

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	

- Most Chinese- or Hong Kong-style food and beverage – large enterprises not only have a regular shift roster system, but also a sound recruitment policy. Policy flexibility should be allowed in arranging a short-term special leave to accommodate employees’ family needs.
- The financial implications of special leave arrangements are mainly determined by whether the leave is paid or unpaid. It is nice to offer leave to employees for accommodating their family needs and even better if paid leave is granted.

- Although there is no stipulation on unpaid leave under the Employment Ordinance, employers shall pay attention to whether such leave arrangements will affect the employment of employees under a continuous contract, in order not to affect employees' benefits and entitlements based on their length of service. (For information about the Employment Ordinance, please refer to Appendix IV)
- To maintain good labour relations, both employers and employees should deal with such matters flexibly through negotiations based on honesty and mutual understanding.

Promotion ladder to support employees at their different life stages

	High	Medium	Low
Corporate policy flexibility			✓
Law-abiding			✓
Business scale	✓		
Financial resources			✓
Human resources		✓	

- With a wider variety of jobs and a longer promotion ladder, large enterprises provide better promotion paths to support employees' career plans and development at their different life stages (based on their roles as a son or a daughter, a spouse or a parent, etc.).
- Chinese- or Hong Kong-style food and beverage – large enterprises have a more delicate division of labour. Holders of the same post, especially elementary workers, are responsible for relatively monotonous routines on a long-term basis. It is difficult to recruit or retain young employees as they may find such job arrangement unchallenging and tedious. To address this problem, enterprises may consider job rotation and strengthen different types of training for job enrichment to attract and retain young employees.
- It will be more effective if enterprises can make good use of both the “Specification of Competency Standards” and the “Recognition of Prior Learning” mechanism under the Qualifications Framework.
- Although there is no legal restriction on the classification of posts and ranks and enterprises can determine their own policies, they should pay attention whether the implementation of job rotation will involve variation of the terms of the employment contract.
- Large enterprises may, as far as possible, leverage their sound human resources policies, coupled with enhanced operational transparency, to provide employees with promotion opportunities that support their development at different life stages. For example, in view of employees' changes after marriage, some restaurants introduce a special promotion mechanism for married employees, including salary adjustments through an internal

assessment and short-listing of employees with top performance to receive training to become managers within two years.

- To help employees maintain a balance between family life and work, enterprises should arrange staff training during working hours as far as possible. In order to maintain harmonious labour relations, employers should not compel employees to attend training at their own expense.

*Family-friendly employment practices together with fair distribution of work*

	High	Medium	Low
Corporate policy flexibility			✓
Law-abiding			✓
Business scale		✓	
Financial resources			✓
Human resources		✓	

- Fair distribution of work and family-friendly employment practices may seem unrelated, but employees may consider it an “unfair arrangement” in the process when people-oriented flexible arrangement is implemented. For example, employees on “housewife shift” may be dissatisfied with an unfair situation in which difficult tasks are left over from the previous shift. In such case, enterprises may consider introducing an incentive scheme to compensate for what employees consider to be a loss.
- Good people management policies with a highly transparent system enable employees to understand the objective criteria of the enterprises’ work arrangements and appreciate that they are trying to be fair.
- Middle-level or front-line supervisors are usually responsible for implementing policies and systems of enterprises. If they do not have a good grasp of the policies and systems, an unfair situation may easily occur during implementation. In view of this, training should be strengthened to equip them with a better understanding of the systems of the enterprises and flexible ways to handle employees’ requests.
- On the other hand, enterprises should establish good communication with employees in order to achieve the desired results for their policies and systems.

## Chinese- or Hong Kong-style food and beverage – small and medium enterprises

### Flexibility for employees to adjust the duty roster

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	

- Employers are required to exert greater flexibility when implementing self-adjusted shift roster for employees. Small and medium enterprises are, therefore, more advantageous than large enterprises.
- Self-adjusted shift roster for employees does not in practice affect their total hours of work. The demand for and impact on the human resources of enterprises will not be significant.
- Although there is no provision on self-adjusted shift roster for employees under the Employment Ordinance, employers are advised to discuss the procedures and arrangements of the shift roster with employees first to avoid any disputes. On the other hand, employers should properly keep employees' attendance and leave records for the arrangement of rest days, statutory holidays and paid annual leave to ensure that they fulfil the obligations under the Employment Ordinance. (For information about the Employment Ordinance, please refer to Appendix IV)
- Chinese- or Hong Kong-style food and beverage – small and medium enterprises usually impose less delicate division of labour than large enterprises. It is common for employees to be responsible for different areas of work and become familiar with the work of different posts, which in return achieve a greater flexibility in making shift roster adjustments.
- Employers may consider providing training to employees to familiarise them with the work of different posts so as to facilitate the implementation of a self-adjusted shift roster for employees.

### Compensatory leave for overtime work so as to promote work-family balance

	High	Medium	Low
Corporate policy flexibility		✓	
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	



- According to the observations of the research team of Hong Kong Shue Yan University, not a few number of employees of Chinese- or Hong Kong-style food and beverage – small and medium enterprises preferred compensatory time-off to overtime allowance for overtime work.
- The financial implications of granting compensatory time-off may not be as significant as expected, and the demand for human resources may not be high. Generally speaking, the demand for manpower for catering industry is higher during festivals or public holidays. Compensatory time-off can, thus, be granted on weekdays when manpower is more sufficient. In practice, compensatory time-off can, as far as possible, be arranged on days when employees need to take care of their families, such as during children’s examinations, on parents’ day or accompanying family members to attend follow-up medical consultations.
- However, employers should also take into account employees’ wish to take leave during festivals and public holidays. The more the communication between both parties, the better the understanding of the expectations and situations of each other. This also allows your employees to work hard for you during peak hours as well as to enjoy family life and take care of their family, resulting in a win-win situation.
- On the other hand, before the employment begins, employers should explain in detail the conditions of employment, such as wage rate, overtime rate and any allowances as required by the Employment Ordinance. If employees are required to work on rest days or statutory holidays, employers should be aware of whether the compensatory time-off arrangement conforms to the requirements under the Employment Ordinance. (For information about the Employment Ordinance, please refer to Appendix IV)
- Employers should also take note of the relevant requirements under the Minimum Wage Ordinance in calculating employees’ wages and keeping their attendance records properly.

*A leave system granting suspension from duty without pay to employees in need of prolonged leave*

	High	Medium	Low
Corporate policy flexibility		✓	
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	

- Although there is no stipulation on unpaid leave under the Employment Ordinance, employers shall pay attention to whether such leave arrangements will affect the employment of employees under a continuous contract, in order not to affect employees’ benefits and entitlements based on their length of service. (For information about the Employment Ordinance, please refer to Appendix IV)

- According to the observations of the research team of Hong Kong Shue Yan University, employers of Chinese- or Hong Kong-style food and beverage – small and medium enterprises usually have close relationships with their employees like that of a family and retain them mainly by this kind of human touch. There are a number of nice employers in the industry who display a strong sense of human touch by allowing employees to take leave of absence as far as possible to visit the Mainland for family reasons or to take leave due to illness of themselves or family members.
- When an employee has to be absent from work for a period of time, the employer may consider showing appreciation and recognition by rewarding or compensating those employees who are willing to share out their work. This will result in an unexpected effect for maintaining a good relationship.

Allowing flexibility for employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form

	High	Medium	Low
Corporate policy flexibility		✓	
Law-abiding			✓
Business scale			✓
Financial resources		✓	
Human resources			✓

- More flexible corporate policies are required if companies allow flexibility for employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form. However, from the “people-oriented” perspective, employees who opt for this are willing to spend more time working for the company and provide more human resources which, from another perspective, give the company more flexibility in resources allocation.
- On the other hand, employers shall also pay attention to the restrictions on offering benefits in pecuniary form in lieu of holidays under the Employment Ordinance. For example, the Employment Ordinance stipulates that regardless of whether an employee is entitled to statutory holiday pay, an employer shall grant the employee a statutory holiday, or arrange an “alternative holiday” or “substitute holiday”. The employer shall not make any form of payment to the employee in lieu of granting a holiday. In other words, “buy-out” of a holiday is not allowed. (For information about the Employment Ordinance, please refer to Appendix IV)
- To maintain a good employment relationship, employers and employees are encouraged to state clearly the employee benefits in the contract to avoid disputes, which is the most favourable solution to both parties.

## Non-Chinese or non-Hong Kong style food and beverage – large enterprises

### Flexible working hours

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding	✓		
Business scale			✓
Financial resources			✓
Human resources		✓	

- Flexible working hours refer to the arrangement of working hours that accommodates employees' family needs as far as possible. As a result, employees' working hours may vary accordingly. Enterprises implementing such practice should take note whether an employee's working hours satisfy the continuous contract requirement under the Employment Ordinance so as to provide relevant benefits. (For information about the Employment Ordinance, please refer to Appendix IV)
- Large enterprises are more advantageous in human resources for implementing flexible working hours when compared with small and medium enterprises. However, their sound people management policy with a regular shift roster system and working hours imposes certain restrictions when implementing such practice which requires flexibility. In order to enhance flexibility in implementation, enterprises may consider delegating frontline supervisors in deciding the arrangement of working hours as they know best the needs of individual restaurant employees.
- Frontline supervisors-in-charge should be well aware of the corporate policies, their authorities and responsibilities, and relevant legislations. The enterprises should therefore provide appropriate training.

### Six days' paid leave per month

	High	Medium	Low
Corporate policy flexibility			✓
Law-abiding			✓
Business scale			✓
Financial resources		✓	
Human resources		✓	

- The Employment Ordinance stipulates that an employee employed under a continuous contract is entitled to not less than one rest day in every period of seven days. In addition to paid statutory holidays and annual leave, the arrangement of granting six days' paid leave per month is better than the statutory requirements. (For information about the Employment Ordinance, please refer to Appendix IV)

- This arrangement will to a certain extent increase the financial burden of an enterprise, but it is what employees long for. Therefore, such practice will bring endless benefits to the enterprise: attracting and retaining employees, improving labour relations, boosting the corporate image, establishing a corporate brand, etc.
- In order to leverage on the advantages of this practice, enterprises may link the holiday benefits that are better than the statutory requirements with their family-friendly objectives, and allow employees to take flexible leave for family events (such as parents' meetings, children's school picnics and parents' birthdays).

Promotion ladder to support employees at their different life stages

	High	Medium	Low
Corporate policy flexibility			✓
Law-abiding			✓
Business scale	✓		
Financial resources			✓
Human resources		✓	

- With a wider variety of jobs and a longer promotion ladder, large enterprises provide better promotion paths to support employees' career plans and development at different life stages (based on their roles as a son or a daughter, a spouse or a parent, etc.).
- Young people are characterised by an eagerness to take on challenges and a dislike of monotonous work. However, large enterprises generally have a more delicate division of labour and relatively monotonous routines, it is difficult to retain young employees. To address this problem, enterprises may consider job rotation and strengthen different types of training so as to enrich the work content to attract and retain young employees. This arrangement will also help employees identify their areas of interest for future career development.
- But from another perspective, such division of labour may simplify the work content and lower the entry requirements for joining the industry, attract job seekers with less experience, below-average learning ability or those who are satisfied with routines, such as mature persons, new arrivals, the disabled and ethnic minorities, as well as those who wish to return to work after leaving the workforce for some time.
- Although there is no legal restriction on the classification of posts and ranks and enterprises can determine their own policies, they should take note whether the implementation of job rotation will involve variation of the terms of employment contracts.
- The principle of fairness should be observed in staff promotion or selection of staff for training.

- To help employees maintain a balance between family life and work, enterprises should arrange staff training during working hours as far as possible. In order to maintain harmonious labour relations, employers should not compel employees to attend training at their own expense.

Staff benefits that are better than the statutory requirements and link to years of service

	High	Medium	Low
Corporate policy flexibility			✓
Law-abiding			✓
Business scale			✓
Financial resources		✓	
Human resources			✓

- Generally speaking, this refers to the presentation of “Long Service Award” to employees with longer years of service to show appreciation for their contributions to the enterprise. Relatively new employees can hardly benefit from it. Nowadays, the competition for human resources is keen and the years of service of employees are relatively short. It is difficult to attract new employees solely by this kind of incentive.
- Introducing the following improved practices not only can widen the range of target beneficiaries, but also boost employees’ work-life balance contributing to retaining and attracting employees:
  - Lowering the eligibility threshold for benefit entitlement and sub-divide the benefits into more levels. For example, the years of qualifying service can be lowered from ten years to three years, five years, or eight years or above.
  - Monetary rewards alone are not the only way to retain employees. Instead, appropriate incentives that accommodate employees’ needs are good solutions. For example, enterprises may consider introducing special leaves to give employees more time to take care of their families, such as allowing employees who have certain years of service to take a longer period of unpaid leave to accommodate their personal needs for families, further studies or overseas living experience.
- The relevant arrangements should also be spelt out in the employment contract in detail. To maintain a good employment relationship, employers and employees are encouraged to state clearly the employee benefits in the employment contract to avoid disputes, which is the most favourable solution to both parties.

## Non-Chinese or non-Hong Kong style food and beverage – small and medium enterprises

### Flexible working hours

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding	✓		
Business scale			✓
Financial resources			✓
Human resources		✓	

- Flexible working hours refer to the arrangement of working hours that accommodates employees' family needs as far as possible. As a result, the working hours of employees may vary accordingly. Enterprises implementing such practice should take note whether an employee's working hours meet the continuous contract requirement under the Employment Ordinance so as to provide relevant benefits. (For information about the Employment Ordinance, please refer to Appendix IV)
- Non-Chinese or non-Hong Kong style food and beverage – small and medium enterprises enjoy more flexibility in people management as their corporate structure is relatively streamlined with fewer restrictions on corporate policy. Supervisors have more room to develop various working hour schedules to accommodate the needs of employees.
- Small and medium enterprises are inferior to large enterprises in terms of human resources. While employees usually have to take up different responsibilities in operation, this also allows their supervisors to enjoy greater flexibility in deploying employees in different posts to match their flexible working hours.
- Employees may regard flexible arrangements, such as deploying them to take over different posts when necessary, as unfair or even unfavourable. They may, therefore refuse to cooperate and impede the implementation of such practice. It is vital to let employees understand how flexible working arrangements can benefit them in general. Having said that, candid communication between both parties is indispensable. In fact, the family-run management practices and close interactions among employees in small and medium enterprises enable them to achieve better communications.

### A leave system granting suspension from duty without pay to employees in need of prolonged leave

	High	Medium	Low
Corporate policy flexibility		✓	
Law-abiding		✓	
Business scale			✓
Financial resources			✓
Human resources		✓	

- Although there is no stipulation on unpaid leave under the Employment Ordinance, employers shall pay attention to whether such leave arrangements will affect the employment of employees under a continuous contract, in order not to affect employees' benefits and entitlements based on their length of service. (For information about the Employment Ordinance, please refer to Appendix IV)
- According to the observations of the research team of Hong Kong Shue Yan University, employers of Chinese- or Hong Kong-style food and beverage – small and medium enterprises usually had close relationship with their employees like that of a family and retained them mainly by this kind of human touch. For example, employers should allow employees to take unpaid leave as far as possible to visit the Mainland for family reasons or take unpaid leave due to illness of themselves or family members.
- When an employee has to be absent from work for a period of time, the employer may consider showing appreciation and recognition by rewarding or compensating those employees who are willing to share out the work, so as to maintain a good relationship.

*Family-friendly employment practices together with fair distribution of work*

	High	Medium	Low
Corporate policy flexibility		✓	
Law-abiding			✓
Business scale		✓	
Financial resources			✓
Human resources		✓	

- Flexible people management policy enables small and medium enterprises to provide posts that can accommodate employees' family needs. For instance, rest days can be scheduled on days when employees need to accompany their family members to attend regular follow-up medical consultations. This kind of "customised" practice contribute to building up a positive corporate image of caring for employees, enhancing the competitiveness in recruitment, as well as attracting and retaining employees.
- However, some employees may feel upset about having to accommodate others' needs. Since the dissatisfaction largely come from sudden changes, candid communication and negotiation are crucial to solving the problem.
- Besides, employers should treat all employees equally and fairly, so that they can enjoy the benefits brought by the practices catering to their needs. For example, parental leave can be granted to those with children, or filial leave to those with elderly parents.
- Training appears to be unrelated to the provision of family-oriented posts, and promotion through training seems to be exclusive for employees of large enterprises. Those working in small and medium enterprises are, therefore, not keen on training. In fact, training is more than a means of self-improvement, which also helps enhance work

efficiency. The enhanced work efficiency gives employers more room for manoeuvre in respect of employees' working hours, which in turn helps maintain better work-family balance. Employees who understand this will be more ready to engage in training, and in turn benefit the enterprises with their upgraded quality.

Allowing flexibility for employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form

	High	Medium	Low
Corporate policy flexibility	✓		
Law-abiding			✓
Business scale			✓
Financial resources		✓	
Human resources			✓

- In comparison with large enterprises, the management and human resource policy of small and medium enterprises are more flexible, enabling employees to opt for receiving certain benefits better than the statutory requirements in pecuniary form.
- Employees who opt for receiving certain benefits better than the statutory requirements in pecuniary form, are willing to allocate more time working for the enterprises. This is considered favourable to small and medium enterprises which have less manpower.
- Employers should pay attention to the relevant provisions of the Employment Ordinance in offering this kind of monetary compensation in lieu of benefits. For example, the Employment Ordinance stipulates that regardless of whether an employee is entitled to statutory holiday pay, an employer shall grant the employee a statutory holiday, or arrange an "alternative holiday" or "substitute holiday". The employer shall not make any form of payment to the employee in lieu of granting a holiday. In other words, "buy-out" of a holiday is not allowed.
- The relevant arrangements should also be spelt out in the employment contract in detail. To maintain a good employment relationships, employers and employees are encouraged to state clearly the employee benefits in the employment contract to avoid disputes, which is the most favourable solution to both parties. (For information about the Employment Ordinance, please refer to Appendix IV)



## Appendix IV

### Reference materials on the Employment Ordinance

#### Continuous Contract

- An employee who has been employed continuously by the same employer for four weeks or more, with at least 18 hours worked in each week is regarded as being employed under a continuous contract.
- In any dispute as to whether a contract of employment is a continuous contract, the onus of proving that it is not a continuous contract shall be on the employer.

#### Arrangements for overtime work

- There is no stipulation in the Employment Ordinance on whether overtime work should be paid or the rate of pay. Nonetheless, according to the Employment Ordinance, if overtime pay is of a constant character; or its monthly average over the past 12 months is not less than 20% of the average monthly salary of the employee during the same period, it should be included in calculating the employee's end of year payment, maternity leave pay, paternity leave pay, severance payment, long service payment, sickness allowance, holiday pay, annual leave pay and payment in lieu of notice.

#### Rest day

##### *Eligibility*

- An employee employed under a continuous contract is entitled to not less than one rest day in every period of seven days.

##### *Definition of a rest day*

- A rest day is defined as a continuous period of not less than 24 hours during which an employee is entitled to abstain from working for the employer.

##### *Appointment of rest days*

- Rest days shall be appointed by the employer. They may be granted on a regular or irregular basis:

Regular rest days	An employer should inform employees of the arrangement for rest days in one go
Irregular rest days	Before the beginning of each month, an employer must inform his employees orally or in writing of the appointed rest days or by displaying a roster showing the dates of the appointed rest days for each employee

- An employer may, with the consent of the employee, substitute an alternative rest day for any appointed rest day, in which case the alternative rest day must be arranged within the same month before the original rest day, or within 30 days after the original rest day.

*Compulsory work on rest days*

- An employer shall not compel an employee to work on a rest day except in the event of a breakdown of machinery or plant or in any other unforeseen emergency. For any rest day on which an employee is required to work, the employer shall substitute it with an alternative rest day within 30 days after the original rest day and notify the employee of the arrangement within 48 hours after the employee is required to work.

*Voluntary work on rest days*

- Employees may work voluntarily on a rest day, except for young persons under the age of 18 employed in industrial undertakings.
- Any condition in a contract of employment which makes payment of any type of annual bonus or end of year payment conditional on an employee agreeing to work on rest days is void.

*Rest day pay*

- Whether a rest day is paid or not is to be agreed by the employer and the employee.

**Statutory holidays**

- All employees, irrespective of their length of service, are entitled to statutory holidays.

*Work on statutory holidays*

- If an employer requires an employee to work on a statutory holiday, the following arrangement should be made:

<b>Alternative holiday arrangement</b>	<b>Prior notice to employees on the date of alternative holiday</b>
An alternative holiday should be arranged within 60 days before the statutory holiday; or	To be given not less than 48 hours prior to the alternative holiday
within 60 days after the statutory holiday	To be given not less than 48 hours prior to the statutory holiday

- If the employer and the employee agree, any day within 30 days before or after the statutory or alternative holiday may be taken by the employee as a substitute holiday.

*A statutory holiday falling on a rest day*

- If a statutory holiday falls on a rest day, the employee should be granted a holiday on the next day that is not a statutory holiday or an alternative holiday or a substitute holiday or a rest day.

*Holiday pay*

- An employee who has been employed under a continuous contract for not less than three months immediately preceding a statutory holiday is entitled to holiday pay. Holiday pay should be paid to the employee not later than the day on which he is next paid his wages after that statutory holiday.
- The daily rate of holiday pay is a sum equivalent to the average daily wages earned by an employee in the 12-month period preceding the following specified dates. If an employee is employed for less than 12 months, the calculation shall be based on the shorter period.

<b>Day(s) of statutory holiday(s)</b>	<b>Specified dates</b>
One day	Day of the statutory holiday
More than one consecutive day	First day of the statutory holidays

*Restriction on pay in lieu of holiday*

- Regardless of whether an employee is entitled to statutory holiday pay, an employer should grant the employee a statutory holiday, or arrange an “alternative holiday” or “substitute holiday”. The employer must not make any form of payment to the employee in lieu of granting a holiday. In other words, “buy-out” of a holiday is not allowed.

**Paid annual leave**

- An employee is entitled to an annual leave with pay after having been employed under a continuous contract for every 12 months. The entitlement to paid annual leave increases progressively from seven days to a maximum of 14 days according to the length of service.

*Granting of annual leave*

- An employee shall take the entitled paid annual leave within the following period of 12 months.
- The time of the annual leave should be appointed by the employer after consultation with the employee or his representative, and confirmed by a written notice to the employee at least 14 days in advance, unless a shorter notification period has been mutually agreed.

- Paid annual leave shall be granted for an unbroken period. If an employee so requests, it may be granted in the following manner:

<b>Annual leave entitlement not exceeding 10 days</b>	Up to three days can be granted separately; the balance should be granted consecutively
<b>Annual leave entitlement exceeding 10 days</b>	At least seven days should be granted consecutively

- Any rest day or statutory holiday falling within a period of annual leave will be counted as annual leave and another rest day or holiday must be appointed.

*Annual leave pay*

- The daily rate of annual leave pay is a sum equivalent to the average daily wages earned by an employee in the 12-month period preceding the following specified dates. If the employee is employed for less than 12 months, the calculation shall be based on the shorter period.

<b>Day(s) of annual leave</b>	<b>Specified dates</b>
One day	Day of the annual leave
More than one consecutive day	First day of the annual leave

- Annual leave pay should be paid to an employee not later than the normal pay day after the period of annual leave taken.

*Restriction on pay in lieu of annual leave*

- An employee may choose to accept payment in lieu of part of the annual leave entitlement which exceeds 10 days.

NOTE: For further information on the Employment Ordinance, please refer to A Concise Guide to the Employment Ordinance published by the Labour Department or the original text of the Ordinance.

## **Acknowledgements**

### **The Working Group of the Tripartite Committee on Catering Industry**

(Listed in no particular order)

#### **Trade Associations/Management Associations**

Hong Kong Federation of Restaurants & Related Trades  
The Association for Hong Kong Catering Services Management  
Hong Kong Restaurant and Eating House Merchants General Association

#### **Catering Establishments**

Kam Hing Food Factory Ltd.  
Tai Hing Worldwide Development Ltd  
Good World Food and Beverage (Holdings) Co Ltd  
Happiness Cuisine  
Sun Lok Restaurant

#### **Society**

Institution of Dining Art

#### **Trade Unions**

Hong Kong & Kowloon Restaurant & Cafe Workers General Union  
Hotels, Food & Beverage Employees Association  
Catering and Hotels Industries Employees General Union  
Catering Trade Chiuchow and Cantonese Workers Union  
Eating Establishment Employees General Union  
Hong Kong Union of Chinese Workers in Western Style Employment  
Chinese & Western Food Workers Union  
Association of Professional Personnel (Hotels, Food & Beverage)

## **Useful Enquiries**

<b>Labour legislation</b>	Enquiry Hotline: 2717 1771 (handled by “1823”)
<b>Labour Department website</b>	<a href="http://www.labour.gov.hk">www.labour.gov.hk</a>
<b>Workplace Consultation Promotion Division of the Labour Department</b>	TEL: 2121 8690
<b>Offices of the Labour Relations Division</b>	<a href="http://www.labour.gov.hk/eng/tele/lr1.htm">http://www.labour.gov.hk/eng/tele/lr1.htm</a>
<b>Occupational Safety and Health Branch of the Labour Department</b>	General Enquiry about Occupational Health TEL: 2852 4041 FAX: 2581 2049  Safety and Health Advisory Telephone Enquiry Service TEL: 2559 2297 FAX: 2915 1410
<b>Enquiry on the Mandatory Provident Fund Schemes</b>	Mandatory Provident Fund Schemes Authority TEL: 2918 0102 FAX: 2259 8806 Website: <a href="http://www.mpfa.org.hk">www.mpfa.org.hk</a>
<b>Equal Opportunities Commission</b>	TEL: 2511 8211 FAX: 2511 8142 Website: <a href="http://www.eoc.org.hk">www.eoc.org.hk</a>

## Reader survey

Please provide your comments on this Guide and return the completed questionnaire to the Workplace Consultation Promotion Division of the Labour Department by fax (FAX: 2782 0530). Thank you! (Please put a ✓ in the appropriate box(es))

1. Reader's status :  An employer  A member of the employers' associations  A member of the trade unions  Others
2. Type of business (for employers):  Chinese- or Hong Kong-style food and beverage – small and medium enterprises ( $\leq 51$  employees)  
 Chinese- or Hong Kong-style food and beverage – large enterprises ( $\geq 51$  employees)  
 Non-Chinese or non-Hong Kong style food and beverage – small and medium enterprises ( $\leq 51$  employees)  
 Non-Chinese or non-Hong Kong style food and beverage – large enterprises ( $\geq 51$  employees)

3. What is your comment on the content of this Guide:

	Very Satisfactory	Satisfactory	Fair	Unsatisfactory
A. Content	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Usefulness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Reference value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Has your organisation implemented family-friendly employment practices? If yes, which of the following categories? (Choose one or more)

Yes

(Categories:  Special leave arrangements to accommodate employees' family needs  Flexible work arrangements  Daily support for employees)

No

5. Do you agree with the following sentences?

	Strongly agree	Agree	Fair	Disagree
A. The implementation of family-friendly employment practices is beneficial to organisations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. The implementation of family-friendly employment practices can facilitate staff retention of organisations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Reading this guide can facilitate the understanding of family-friendly employment practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Reading this guide can facilitate the implementation of family-friendly employment practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Other comments: \_\_\_\_\_

Your feedback will help us to improve. Thank you!