

WORK LIFE BALANCE (Employer and Employee Perspectives)

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Abstract

Achieving the balance between work and personal life is becoming increasingly difficult due to the pressure current society has placed on individuals. This paper attempts to define what work/life balance is and identifies the benefits it can bring from both employer and employee perspectives.

It also examines the complications in achieving the balance between work and personal goals and discusses the current trends and solutions organizations have in place for their employees to assist in achieving the balance between work and their life.

In conclusion, the paper makes recommendations for Human resource professionals in implementing success work life balance policies on their organization's to gain a competitive advantage in the marketplace.

Introduction

In today's competitive society work/life balance is considered important by many. Australian organizations are rapidly looking for ways of making their employee lives well balanced between work and family.

Traditionally employment was considered the means to which you support your private life. Work Life Balance improvement provisions means that employers can now achieve competitive advantage from creating a more symbiotic relationship with a person's home and work. This results in lower stress in the work place and greater enjoyment in the home (Guest, 2002). This causes the improvement in employee performance in the work

place and positive public image for the organizations.

Everyone is looking for perfect balance in life as this can be the key to a healthy living. Reaching the top of the corporate ladder rapidly by sacrificing quality family time and working too much can have a heavy negative impact on family life. However in today's competitive world, one has to concentrate on improving professional career to be able to financially support his family.

Due to the current skill shortages faced by both Australia and New Zealand and the prospect of an ageing workforce, it is now imperative for organizations to embrace work/life balance practices to attract and retain talent, not only from traditional sources but also from untapped and diverse social groups (Cohen et al, 2002). These social groups can often demand greater attention to work/life balance: working mothers, mature workers and some minority groups.

It is imperative that organizations ensure that they not just encourage but mandate a practical and workable work/life balance policy, meeting the needs of both the organization and its employees to stay competitive in market. And importantly, organizations can expose themselves to increasing numbers of dissatisfied and unproductive employees by not providing real opportunity for employee work/life balance. So it is important to realize that creating a work/life policy structure is not enough; development of an organizational culture that supports the use of available policies is also of great importance (Bratton, 2003).

Many organizations are reluctant to implement flexible work conditions due to concerns about the cost implications. Many Work-life balance policies and practices do not have any actual cost

implications but rely on a more imaginative approach to everyday working conditions (Hughes et al, 2007). Flexible working arrangements such as flexible working hours, part-time/job share arrangements, unpaid leave; work from home arrangements doesn't cost organizations much. Areas such as childcare, cares leave and work-life balance counselling can however cost an organization but its long term benefits and advantages to the organization far out weights the costs.

This paper explores the many definitions of work/life balance, including the benefits for employers and employees. Further, it outlines the need for work life balance in an organization and provides recommendations and strategies for developing work/life balance agendas.

What is Work/Life balance?

Life is a balancing act, and it is safe to say that in current fast paced society everyone is constantly looking for the right work/life balance. It is imperative to find the true meaning of work/life balance for both employees and employers. Following chapter is aimed at discussing many definitions of work/life balance attempts to find the most relevant definition.

Defining the Concept

In a broader sense Work/Life balance can be described as the 'fit' between multiple roles in a person's life (McCartney, 2002). Some would say it is the need of all individuals to achieve and maintain the balance between their paid work and their life outside of work (Lockett, 2008)

Although the meaning and definitions vary, work/life balance is generally associated with maintaining an overall sense of harmony in life (Clarke .et al, 2004)

Studies of work/life balance generally consider one's ability to manage simultaneously the multiple demands of life. Traditionally work/life balance is assumed to involve the devotion of equal amounts of time to paid work and non-work roles. However more recently the concept has been recognized as

more complex and has been developed to incorporate additional components.

Following aspects have been studied and measured recently in regards to work/life balance (Greenhaus et al, 2003),

- Amount of time allocated to work and non-work roles, which is known as time balance.
- Level of psychological involvement in to work and non-work roles, which is known as involvement balance.
- Satisfaction balance or the level of satisfaction with work and non-work roles.

This work/life balance Model which includes time, involvement and satisfaction components, facilitates the emerging of an extensive and more inclusive picture.

For example, a person who works only three days a week and spends the rest of the week with their family or friends may be unbalanced in terms of time, but may be highly satisfied with the level of involvement in both work and family (balanced satisfaction) and may also be equally committed to the work and non-work roles (balanced involvement).

Someone who works sixty hours a week might be considered as not having work-life balance in terms of time. However this person might be highly satisfied with their involvement with work (balanced satisfaction).

Someone who doesn't enjoy their job much but works the normal 37.5 hours a week may have found the balance of time but unbalance in terms of involvement and satisfaction. Hence, work-life balance achievement needs to be considered from multiple perspectives.

Changing Face of Family

In recent times, what used to be known as work-family balance has been replaced by work-life balance due to the growing diversity of the family structure. The concept of family has evolved rapidly in the past few decades to encompass

extended families, same-sex relationships, single parents, shared parenting, and a wide range of social communities. So the semantic shift from work-family to work-life to recognize the fact that care of dependent children is no longer the only important non-work related role. Other activities such as sport, study, health and fitness, volunteer work, hobbies or care for elderly also need to be balanced with work. So it is important for human resource professionals to better understand the 'family' relationships of their staff and the impact it is going to have on businesses.

Caring for elderly is becoming a growing issue for many employers and employees. Australian companies currently employ about one third of the 600,000 Australians who provide principle care for elderly such as their parents or relatives (Department of Workplace Relations and Small Business, 1998).

Typically, organizations only concentrate on men or women who are married or living with a partner and with children when preparing policies for work/life balance. This should no longer be the case due to aforementioned reasons.

The Employee's perspective

Job seekers today expect Work-life balance. Life in the 21st Century is increasingly complex with people juggling multiple roles. Therefore employees will consider a job only if it offers flexibility.

Public Policies

In response to economic and cultural trends, many with focus on women and parents with children, a range of public policies supporting work-life balance has been developed. Many government organizations such as State Government of Queensland have developed detailed policies in achieving work-life balance (Department of Justice and Attorney General, 2010)

Legislative reforms such as the International Labour Organization (ILO) Convention 156,

Workers with Family Responsibilities 1981, antidiscrimination and affirmative action legislation and industrial relations changes have also lifted the profile of issues related to work/life balance (Tully, 2005).

In Australia, as a result of these reforms following rules are now in place. (Ministerial Task Force on Work and Family, 2002)

-Mandatory reporting of policies by organizations with more than 100 employees

- Expansion of legal protections to include explicitly those with family responsibilities

- By agreement with the employer, part-time work up to a child's second birthday

The Australian and New Zealand governments also encourage employers to provide childcare support for staff with families. Provided the contract of employment is not broken, employees in public and private sectors in both Australia and New Zealand are entitled to 12 months' unpaid maternity leave. After this time, they are entitled to return to the position held before the leave, or to a position of comparable status and salary. Unlike New Zealand, where employed women are entitled to 13 weeks' government-funded paid maternity leave, Australia has no statutory paid maternity leave.²⁰

The New Zealand Government also supports and partly funds the Equal Employment Opportunities Trust which, among other things, initiates annual Work and Life awards; tracks progress on work and family initiatives within organizations; and promotes the issue through conference speeches and press releases.

The Department of Labour in New Zealand established a Work/Life Balance Project in the last half of 2013, which ran until the middle of 2004. Results from the project showed that many people perceived their work and non-work lives were out of balance (Department of Labour, 2014). One recommendation was government assistance for employers to help them provide work/life balance initiatives.

Family Friendly Benefits

People place high importance on the quality of their personal lives. The common saying "Do not live to work but rather work to live" confirms this. If there is a choice between work and their private lives work will most certainly loose. Employees are now looking to work for organizations where career advancement is not hindered due to one's family commitments. So they expect support and encouragement from their employers to improve and excel in their personal lives as well as their work commitments.

The Employer's perspective

In addition to the development of public policies supporting responsibilities outside of paid employment, organizations have increasingly been developing formal policies that attempt to facilitate the work/life nexus. Work/life balance strategies enhance the autonomy of workers in coordinating and integrating the work and non-work aspects of their lives (Felstead et al, 2002).

Three broad types of work/life strategies have been created to help employees balance their work and non-work lives: flexible work options, specialized leave policies and dependent-care benefits (Morgan et al, 1992)

Following are some of the initiatives organizations have implemented in improving work/life balance amongst their staff.

Skill Shortages

Positive Return of investment is the main driver behind an employer's commitment to invest in work/life balance. Does it really have positives returns? In recent years, organizations increasingly realize that there is a direct relationship between the quality of an employee's personal and family life and their work quality. Hence there is a valid reason to promote work and family integration.

Australia is heading towards a skills shortage due to its aging population and declining population growth (ABS, 2010). It is anticipated

that there will not be enough skilled workers to fill the positions left by retired workers. Also, people caring for elderly in the labor force will increase as a result of this. Following chart shows the population projections for Australia. As you can see elderly population has a trend to grow in coming years.

So it is imperative for business to adopt flexible work /life balance options in their workplaces to attract skilled staff.

Employee retention

Employee retention is a huge challenge faced by many organizations at present. "Employee experience" can be improved by balance work/life policies and can contribute positively in retaining employees. Ernst and Young estimated that the cost of turnover in a client services role averaged 150% of a departing employee's annual salary (Hewlett et al, 2005).

The turnover cost of an employee is a combination of separation costs, replacement costs and training costs (Bohlander et al, 2004). Due to these huge costs employers are always on the hunt for ways to retain employees within their organizations. The direct correlation between the provision of flexible work options and reduced turnover means that work-life balance is now a strategic Human resource issue.

Company Image

Organizations who have genuine interest in promoting and supporting work-life balance policies often considered good corporate citizens. However an organization's keenness to be perceived as a good company may depend on its visibility to public, the nature of their business or the size of the business. Although large organizations might provision flexible work/life options to gain a good public image, small organizations might not do the same due to its low return of investment in a small organization.

A government organization might opt to consider flexible work conditions due to their responsibility towards public, but a private

organization which is driven by profit might not consider flexible work conditions to seek approval from public.

Many more advantages

There are many more advantages of implementing flexible work/life options in an organization. These include and not limited to

- Better physical and mental health of employees
- Earlier return to work after maternity leave
- Reduced absenteeism
- Improved job satisfaction
- Reduced turnover
- Availability of a broader talent pool
- Loyal employees
- Retention of skilled aged workers

Many studies have found absenteeism is reduced as a result of flexible work options. Stratex Networks Ltd has confirmed it has reduced absenteeism by 8% and employees averaged only 2.9 sick days as year (Managing Work/Life Balance International, 2004)

Analysis

Average Work-Life Balance Score by Age at Time of Graduation

Demographic Characteristics and Work-Life Balance are there differences in the degree of balance between work and life by demographic characteristics? Work-life issues were once considered primarily a woman's issue, but today more men are confronted with work-life conflict (Roberts, 2005). Comparing the mean work-life balance score by gender shows that although the difference in the means (men = 44.75; women = 45.97) is slight, the difference is statistically significant ($F = 3.934$; $df = 1, 2067$; $p < 0.05$). Women appear to have accomplished a greater sense of work-life balance than their male

counterparts. A possible explanation for the difference may be a function of duration the issue has been in the forefront—women have had more time to develop balancing mechanisms compared with men.

Based on the writings of Tulgan in 1996, as reported by Guest (2001), Generation X gives more weight to work-life balance than other groups. Table 1 shows the average work-life balance score by age of the respondents at the time of graduation. When controlling for gender, age continues to play an important role in perceptions of work-life balance, where younger men and women have higher scores than older men and women respectively. Age, however, may be an intervening variable—a variable that links independent variables, such as increased responsibilities from marriage, children, and elder care often accompanying individuals as they grow older, to the dependent variable, work-life balance. Additional research that includes these other variables can help in determining whether age is the true predictor variable or if the increased responsibilities that are often associated with older individuals are the predictor variables.

Table 1. Average Work-Life Balance Score, by Age at Time of Graduation*

Age	Number	Mean
27 and younger	542	542
28 to 34	1,193	44.75
35 and older	331	42.95

*ANOVA with Bonferroni Test ($F = 12.754$; $df = 2, 2063$; $p < .05$)

Average Work-Life Balance Score, by Year of Graduation

A study by Sturges, Guest, and Mackenzie Davey in 2000 suggests that at the beginning of a career work-life balance issues are important, but as

careers advance dissatisfaction with work-life balance increases (Guest, 2001).

An ANOVA is run with the year of graduation as the factor and the work-life balance score as the dependent variable. The outcome of this analysis implies that the preceding statement is true—as one progresses in their career the more dissatisfied they are with their work-life balance. Table 2 shows the average work-life balance score for employed by the year they graduated.

Year	Number	Mean
2000	176	43.06
2001	308	44.01
2002	312	44.14
2003	416	45.64
2004	875	45.91

Work-Life Balance Score, by Number of Years Working For Current Employer

An analysis of length of time in the respondent's current job by their work-life balance score further bolsters the case for a decline in work-life balance as a career progresses. Table 3 shows the average work-life balance score by the number of years the respondent has worked for their current employer. Respondents with less than two years of employment with their current employer are significantly more likely to have a higher work-life balance score compare to respondents with more years of experience.

Years with Employer	Number	Mean
Less than 2 years	1,218	45.94
2 years, but less than 6 years	596	44.22
6 or more years	273	43.04

*ANOVA with Bonferroni Test ($F = 7.671$; $df = 2, 2084$; $p < .05$)

Average Work-Life Balance Score, by Location of Employment

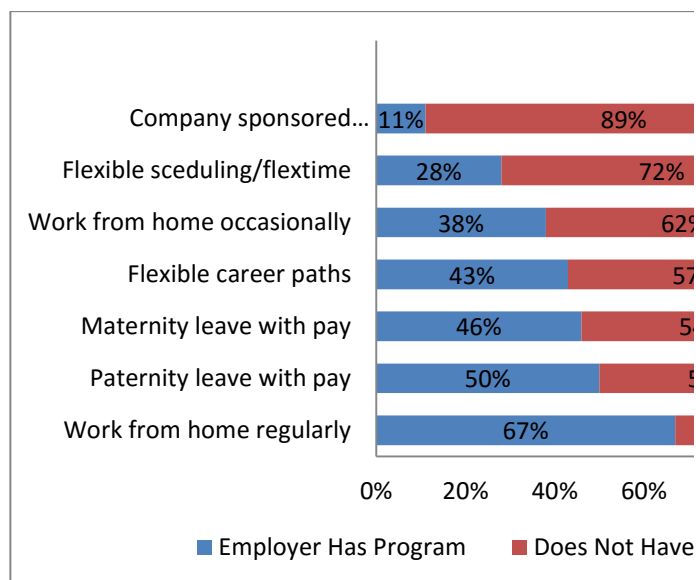
Location of Employment Respondents who work in their country of citizenship (45.42) have a higher work-life balance score compared to respondents who work outside their country of citizenship (43.51)—a statistically significant difference ($F = 7.004$; $df = 1, 2085$; $p < .05$). As shown previously, there are differences in the work-life balance score by the respondent's citizenship. When controlling for whether an individual works in their country of citizenship, there is no significant difference in the work-life balance score among respondents of the various world regions not working in their country of citizenship. However, among respondents working in their country of citizenship, Indians, U.S. citizens, and Canadians have a higher score compared with ($F = 11.405$; $df = 4, 1625$; $p < .05$). Additionally, U.S. citizens and Indians working in their country of citizenship report a higher score compared to respondents from Europeans. There are no differences between genders by location of employment, but age continues to persist as a factor in the work-life balance score when controlling for the location of a respondent's job (work in country of citizenship [$F = 11.687$; $df = 2, 1688$; $p < .05$]; work outside country of citizenship [$F = 3.425$; $df = 2, 372$; $p < .05$]).

Work-Life Balance Program

Work-Life Balance Programs “Employers are recognizing the need to offer a package of benefits to their staff, securing loyalty and commitment in a partnership approach to work-life balance, with consequent benefits in the workplace (Department of Trade and Industry, 2001).” Graph 1 presents the types of programs, As shown, two-thirds (67%)

have access to company-sponsored education/training and half (50%) have access to flexible scheduling.

Graph 1. Work-Life Balance Program



According to the study, “from a policy perspective, it is interesting to note that the presence of family-friendly practices was not associated with a reported work-life balance (Guest, 2001).” However, according to the current study, respondents who indicated that their companies did not offer any of the listed programs had significantly lower work-life balance scores compared with respondents whose company offered at least one of the programs listed ($F = 17.595$; $df = 1, 1930$; $p < .05$).

Earning and Work Hours As reported in the study, problems with work-life balance are elevated among “well-paid management positions (Guest, 2001).” There is a significant correlation between the average number of hours worked per week and annual salary ($r = 0.261$; $p \leq .001$), and as mentioned previously, there is a correlation between work hours and work-life balance. However, there isn’t a significant correlation between annual salary and work-life balance ($r = -$

0.040 ; $p = .102$). Also, there is not a significant correlation between the job position of the respondent, whether the respondent is a manager or not, and work-life balance score ($r = -0.028$; $p = .212$).

Recommendations

Following are some recommendations for flexible work options aimed at providing a better balance between work and life for employees.

- Management Support for work/life balance is crucial for an organization to succeed. Having just the policies is not enough.
- Regular employee surveys can help to understand workers needs and design appropriate policies
- Assist employees to priorities their work, otherwise they will think everything is equally important
- Training of managers and supervisors to understand when their staff is overworked
- Organise seminars and training for employees to understand the importance of balance between their personal life and work
- Restrict work to be taken home regularly. This should be the responsibility of the corresponding supervisor, so work gets done in office but not at home.
- Allow many leave options such a community service leave, pet care
- Allow work from home, flexi time and sick leave without a doctors certificate
- Allow children to visit office time to time. It may be a good idea to have a "bring your kid to work" days.
- Implement the option to work from home while taking care of children or elderly parents.
- Organise company funded family oriented activities such as family dinners, movie

nights or trips to theme parks at least once a year on a weekday.

- Organisations need to promote work-life balance policies at every opportunity they get. This should not be limited to orientation sessions or to a company handbook.

Conclusion

Work/life balance initiatives have the potential to significantly reduce absenteeism, improve employee morale and retain organizational knowledge and staff, particularly during testing economic times. In today's global marketplace, as companies aim to reduce costs, it falls to the human resource professional to understand the critical issues of work/life balance and champion work/life programs. Be it employees whose family members and/or friends are called to serve their country, single mothers who are trying to raise their children and take a living, Generation X and Y employees who value their personal time, couples struggling to manage dual-career marriages, or companies losing critical knowledge when employees leave for other opportunities, work/life programs offer a win-win situation for employers and employees.

However developing a work life balance policies is not enough. These need to be practiced and supported especially by the top level managers.

Employee expectations are very high in regards to flexible work conditions at today's society. So it is imperative for businesses to have highly functional work life balance options to stay competitive and attract the highest skilled staff. Hence many organizations view work/life balance as a human recourse directive with strategic importance.

Organizational culture plays a key role when it comes to work life balance provisions. So an organization with co-worker and managerial support will excel with carefully created flexible work options. It is apparent that the HR policies in terms of work-life balance mostly concentrate on individuals who have families with small children. Due to the diversity of the concept of family now, work/life balance improvement policies should

address every aspect of family such as single parents, shared parents, elderly care and singles.

Finally, we need to adapt a "give and take" philosophy. This means that both employer and employee need to be willing to bend a little. Small compromise will go a long way in achieving perfect harmony between personal and work lives.

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