

# **An empirical study of work and family life spheres and emergence of work-life balance initiatives under uncertain economic scenario.**

Pranav Naithani\* and Dr. A.N. Jha\*\*

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## **Abstract**

In the last six decades, work life and family life spheres of employees have undergone various changes. This paper presents an empirical study of major factors which have influenced employee work-life balance and popular work-life balance tools initiated at organisational level to help an employee balance different life segments such as work, family, personal finances, career and health. Current work-life balance approach, tools and programmes at organisational level primarily address those issues of work and personal life which got highlighted between the 1950's and later years of the 20<sup>th</sup> century. Current global recession in the 21<sup>st</sup> century has created an uncertain economic scenario in which employers and employees are facing new challenges and earlier work-life balance research might not be sufficient enough address the new issues. This calls for further research on work-life balance, for a wider applicability of work-life balance programmes at organisational level.

## **Introduction**

Major changes in the recent past have influenced composition of work and family life of employees and have resulted into conflict between work and family related demands. Negative spill-over from work to family and family to work translates into employee work-life imbalance and increased stress levels at workplace and at home. Multiple reasons contribute in creating the conflict between work and family. Figure one lists important such changes which have influenced the work and family life spheres of an employee.

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\* Senior Lecturer, Waljat Colleges of Applied Sciences, Muscat, Oman

\*\* In-charge, Birla Institute of Technology Extension Centre, Lalpur, Ranchi, India

**Figure One: Factors influencing work and family life spheres: 1950 onwards**

<p><b>Family and personal life related factors</b></p> <ul style="list-style-type: none"> <li>▪ Increasing participation of women in workforce</li> <li>▪ Increasing participation of child bearing women in workforce</li> <li>▪ Increasing participation of dual career couples in workforce</li> <li>▪ Increase in single-parent/ single person households</li> <li>▪ Increase in child-care/ elder care burden on employees</li> <li>▪ Health and well being considerations</li> </ul>	
<p><b>Work related factors</b></p> <ul style="list-style-type: none"> <li>▪ Long hour culture and unpaid overtime</li> <li>▪ Time Squeeze</li> <li>▪ Demand for shorter working hours</li> <li>▪ Increase in part-time workers</li> <li>▪ Work intensification and stress</li> <li>▪ Changing work time</li> </ul>	<p><b>Other factors</b></p> <ul style="list-style-type: none"> <li>▪ Ageing Population</li> <li>▪ Rise of service sector industries</li> <li>▪ Technological complexity of work</li> <li>▪ Skill Shortages</li> <li>▪ Loss of social support network</li> <li>▪ Globalisation and demographic shift</li> </ul>

**Work and family spheres: More women in workforce and longer working hours**

Employee work and family spheres witnessed dynamic changes in the last six decades. By the beginning of the 21<sup>st</sup> century women accounted for more than 40 per cent of the global workforce and 70 percent of the women in the age group of 20-54 were economically active (Wirth 2001). Rise in dual earner families reduced dominance of the concept of men at work and women at home. Childcare and other pressures induced work-life imbalance due to which working parents took higher number of unpaid leave and took up lower paying jobs with fewer responsibilities (Todd 2004).

Long working hours culture is practiced in growing number of countries which has reduced the available time for family and disrupted social life of employees (La Valle et al. 2002). A large numbers are also working at odd hours as this practice is being encouraged by the corporate focus on 24 hours availability (Moen 2001). Unpaid

overtime and work intensity is also affecting employees' work-life balance. Organisations today are aiming at productivity with fewer employees, thereby increasing work intensity of the employees which reduces the overall quality of life. As a result, health issues such as higher levels of fatigue, burnout, depression, increased blood pressure and cardiovascular diseases have emerged (Golden and Jorgensen 2002).

### **Aging workforce, loss of social safety network and dependence on global workforce**

Developed nations are facing ageing of its workforce and have to prepare for labour shortages in near future due to reduced availability of young workers. The solution lies in providing a flexible work schedule which appeals to the aging workforce. Further, technological complexity of jobs has increased and with the use of emails and fax, the boundaries between work and personal life have weakened as now it is easier to work anytime from anywhere (Duxbury and Higgins 2001). Technically skilled tradespersons, scientists, engineers, middle managers and technicians are also in short supply globally (Murphy 2000). Higher numbers of employees are sourced from segments such as working mothers and global workforce, resulting into a new structure of workforce with variety of work-life balance issues.

Social safety network is in decline as people move from their home towns to cities, from one city to another, losing out on network of friends, family and relatives. With more women in workforce, the support network non-working women used to provide to working mothers of their own families is decreasing.

Ageing population in the developed nations has been a major reason for depleting workforce and to compensate for this loss, developed nations have looked at the younger workforce available in the developing nations. Dependence on global workforce has created a socially and culturally diverse workforce which has its own set of dispersed work-life balance needs. To cater to diverse workforce there is an emerging need of broad based work-life balance programmes.

## **Managing the dynamic change: Common work-life balance initiatives**

To cater to the demand of employees, new work-life balance tools have been introduced at organizational level. Work-life balance tools can be categorized into: childcare, other family friendly, career, work design, working time, health, finance and other miscellaneous.

Flexible working time facility is the most popular work-life balance facility available to employees across the world. In advanced nations and regions, such as, Australia, European Union, UK, and the USA, around 50 percent or more employees and in Canada and New Zealand up to 90 percent employees can avail flexible working time facility (European Foundation 2006; Fursman 2006). Child care facilities have helped working mothers to a great extent. In addition to facilities such as paternal leave, onsite crèche, lactation rooms, referrals, subsidies and vouchers, today's working mothers can also avail innovative facilities such as childcare during children's vacation and lunch with kids in on-site crèche.

Innovations in work-life balance initiatives are continuous. One of such innovative benefits is 'flexible use of holiday entitlements and leave saving' (NAC 2003 as cited by Todd, 2004). Under this arrangement, employees can accrue money or time to a maximum of 10% of their annual salary or 10% of their annual working hours. Another facility which is gaining popularity is concierge service. Nelson (2004) cites example of PepsiCo in Purchase, N.Y., which helps its employees save time with personal errands such as booking restaurant tables and theatre seats and household repairs.

Introduction and implementation of work-life balance tools at organizational level is purely demand oriented, which started with working mothers demanding solutions for their work life balance issues. It later broadened to dual earner couples, elder workforce, single parents and the global workforce. Today's work-life balance tools aim to cater to wider segments of workforce and with increasing life and work complexities.

## **Limitations of current work-life balance research**

Availability of work-life balance programmes at organisational levels has increased, but the same is primarily based on models developed in the advanced nations. Present day work-life balance approach suffers from following limitations, which need to be addressed to develop a more broad based solution for work-life balance challenges.

### **Focus on advanced nations and homogenous samples.**

There is a need of more research in countries other than the advanced nations, as till date work-life balance research is concentrated in advanced nations and west originating work-life balance discourse which assumes cultural neutrality has poor applicability in other parts of the world as findings of such research can not be applied in nations which have cultural differences with the west (Lewis et al. 2007). Research on work-life balance suffers from imbalance created by homogenous samples as such research to examine wide gamut of niche segments of the population is needed, to understand specific factors of their work-life balance (Casper et al. 2007).

The BRIC nations (Brazil, Russia, India and China) are expected to play a bigger role under the current uncertain economic scenario. This calls for more studies on work-life issues of workers in BRIC nations and other nations not yet comprehensively covered in the work-life balance research.

Workforce segments such as expatriates need to be further researched, as the current recession may negatively influence the expatriate population. Globally, governments are hard pressed for creating more job opportunities for locals, and this may come at the cost of expatriate jobs especially in expatriate dependent nations such as Gulf Cooperation Council (GCC) countries which are facing new economic challenges due to the recent fall in the prices of petroleum products.

## **Gender neutrality and predominance of work-family conflict**

The gendered nature of workplace and society has influenced work-life balance research and it does not completely consider gender related factors such as gender pay gap, gender biased organizational culture. To a great extent, men and women still do not spend same time in performing household duties, especially childcare as such a gender neutral model of work-life balance with universal applicability is not a solution. Further, work-family conflict has been till date the primary focus of research and within work-family conflict focus has been on childcare responsibilities and other caring responsibilities such as eldercare have not been researched thoroughly (Thornthwaite 2002).

Under the current uncertain economic scenario, more families will attempt to be dual earner families, more families will be willing to relocate to new work locations and regions, and more working mothers will attempt to participate in the workforce. This will result into higher work-life balance challenges for a larger group of workforce consisting of working mothers and dual earner couples.

## **Lifestyle preferences and drawbacks of flexible working**

Individuals have different needs for work-life balance as lifestyle preferences can be work-centred or adaptive or home-centred. Family oriented policies will not be of interest to a work centred person (Hakim 2005). Majority of work-life balance policies cater to home-centred lifestyle, thereby reducing its universal applicability. Flexible working facilities in theory aim at enhancing the work-life balance of employees but in practice organizations exploit them to match the service demands of today's 24x7 industries. Many organizations are working beyond the nine to five time frame and they tend to use flexible working to save overtime expenses and to create a workforce which is available beyond the normal working time (Hyman 2005).

Under the current uncertain economic scenario, family friendly work-life balance policies might loose their charm and instead career and personal finance related policies might

gain popularity amongst the employees as these two will directly influences an employee's job security and personal financial condition.

In the current uncertain economic scenario, recession will accelerate the rate of downsizing, mergers and acquisitions and this will directly influence the work intensity, work load and related stress of an employee. New types and kinds of work-life balance policies in the categories of working time, work design and health and fitness will be the need of the day, for which further research in essential.

### **Employee work-life balance and corporate profitability**

While many factors determine the success and profitability of a company, those organizations that have an effective and efficient work-life balance programme exhibit a better financial performance. A survey conducted by Work-USA (2000) demonstrated the strong relationship between employee commitment and return to shareholders, finding that companies with highly committed employees had a 112% return to shareholders over three years, compared with a 76% return for companies with low employee commitment, and 90% for companies with average commitment.

Watson presented a detailed list of relationship between companies which promote employee work-life balance and their financial performance (Watson 2002). According to Watson, companies that support flexible work arrangements such as flextime, telecommuting, and job sharing have a higher market value and the growth in their market value is also higher.

Companies listed on Fortune's "100 Best Companies to Work For" consistently outperform the S&P 500, receive two times the number of job applications, and have half the turnover rate than their competitors. "The 100 Best" list companies have had a 10.6 percent annual return since 1998 compared to the 5.7 percent return for the S&P 500 over the same period. (Watson 2002)

In current uncertain economic scenario, organizations are hard pressed for better financial results. An updated and comprehensive work-life balance derived from a broader global research on current work-life balance issues as suggested above will help improve organizational profitability.

## **Conclusion**

Work-life balance research has been primarily western world dominated and present day work-life balance tools at organisational level need a re-look, to maintain the relevance of such tools. Under current uncertain economic scenario organisations are hard pressed for profits and medium and long term survival. An updated, more relevant, focussed work-life balance programme which is aligned with the current needs of the employees will be an effective tool for higher employee engagement and productivity, which will in turn result into higher profitability for the organisations.

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