

WORK-LIFE BALANCE AND RETENTION OF HUMAN CAPITAL: A STUDY OF INDIAN COMPANIES

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ABSTRACT

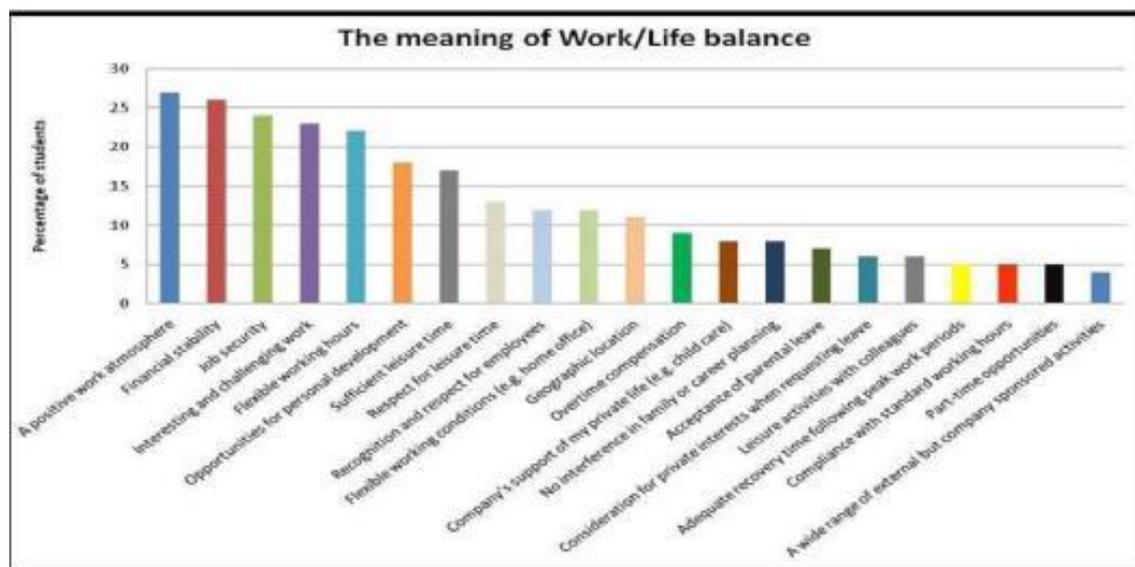
There is an increasing consciousness in recent workplaces that employees do not give up their lives just for the reason that they work. Work and life remain the two most significant domains in the life of an employed pupil. In organizations and on the home front, the challenge of work/life balance is rising to the top of many employers' and employees' consciousness. In today's fast-paced society, human resource professionals seek options to positively impact the bottom line of their companies, retain employees with valuable company knowledge, improve employee morale, and keep pace with workplace trends. The employees who once were addressed as the workforce are now treated as the internal customers and undoubtedly stated as the Human capital. Therefore retaining the efficient Human capital has become a challenge to the modern corporate. Work-life imbalance is a known devil in today's life. Employees are work-life balance therefore cannot be undermined. The paper suggests that organizations need to incorporate experiencing signs of burnout. The role of WLBP and encourage a culture that support utilizing them to ensure employee commitment and productivity. The paper also brings out various strategies that organizations can adopt for improving their employees' work-life balance. While introducing WLBP, congruence between employee needs and organizational values also should be considered.

Keywords: *Employee Retention, Human Capital, Work-Life Balance, W-L Benefit.*

I. INTRODUCTION

The term 'work/life balance' was coined in 1986, although its usage in everyday language was sporadic for a number of years. Interestingly, work/life programs existed as early as the 1930s. Before World War II, the W.K. Kellogg Company created four six-hour shifts to replace the traditional three daily eight-hour shifts, and the new shifts resulted in increased employee morale and efficiency. Work-Life Balance does not mean an equal balance. It means the capacity to schedule the hours of professional and personal life so as to lead a healthy and peaceful life. It is not a newly developed concept. It emphasizes the values, attitudes and beliefs of people regarding their age to work in organizing and balancing their work and personal life. The role of work has changed throughout the world due to economic conditions and social demands. Originally, work was a matter of necessity and survival. Throughout the years, the role of "work" has evolved and the composition of the workforce has changed. Today, work still is a necessity but it should be a source of personal satisfaction as well. One of the vehicles to help provide attainment of personal and professional goals is work-life benefits and

programs. Increasing attrition rates and increasing demand for work-life balance have forced organizations to look beyond run of the mill HR interventions. As a result, initiatives such as flexible working hours, alternative work arrangements, leave policies and benefits in lieu of family care responsibilities and employee assistance programs have become a significant part of most of the company benefit programs and compensation packages. Such policies, practices and benefit programs are generally referred as *'family-friendly policies'* (FFPs) or *'work-life benefits and practices'* (WLBP) in literature (Kopelman et al., 2006; Kossek & Ozeki, 1998). The significance and implications of such HR interventions are many. Research findings suggest that WLBP not only help employees better manage their work and family roles (Thomas & Ganster, 1995), but also affect employee attitude and behaviors such as organizational commitment (Grover & Crooker, 1995), job satisfaction (Kossek & Ozeki, 1998) and intention to quit (Lobel & Kossek, 1996). Provision of WLBP also contributes to organizational performance and effectiveness (Sands & Harper, 2007). Ideally, work-life balance programs are very effective recruitment and retention tools for the organizations but still it is an irony that many companies don't deliver it and expect the retention of the quality work-force. It's not been too long since the leading corporations installed certain work-life programs designed aiming at drawing more talent into the workplace and helped employees more focused.



Source: www.employerbrandingtoday.com

II. LITERATURE REVIEW

It is of great interest to note that although the term work-family balance has been widely adopted, yet a formal definition of this term has remained elusive. It is also acknowledged that there is a recent shift in terminology used to refer to this phenomenon, with many organizations using the term WLB so as to include employees who are not parents, but who desire balance for non-work activities such as sports, study, and travel (Kalliath and Brough, 2008). Work family balance reflects an individual's orientation across different life roles, an inter role phenomenon (Greenhaus et al., 2003). Greenhaus et al. (2003) have delved into the multiple roles definition of WLB with a focus on equality of time or satisfaction across an individual's multiple life roles. WLB was therefore defined as —the extent to which an individual is engaged in—and equally satisfied with—his or her

work role and family role consisting three components of work family-balance, time balance, involvement and satisfaction balance (Greenhaus et al., 2003). Kirchmeyer (2000) defined WLB as —achieving satisfying experiences in all life domains and to do so requires personal resources such as energy, time and commitment to be well distributed across domains. To sum it all, Kalliath and Brough (2008) have put forward their own definition of WLB and defined it: —WLB is the individual perception that work and non-work activities are compatible and promote growth in accordance with an individual’s current life priorities. The demands and pressure of work and family may give rise to work-life balance issues to an individual. Freedman and Greenhaus reveal that women in workforce have increased considerably, however women face a lot of issues and challenges. They are still seen as the primary caretakers of the home and family, even if they work just as much as men. Work role is often seen as secondary to family roles. Not just men but women also hold themselves and other women to the homemaker standard. Women spend more time on housework, child care and family responsibilities. Women used to spend almost 24% of their time on housework in 1966 to 30% of housework in 2005. However women miss more work for child care. 20% of women take care of both children and elders. Greenhaus and Beutell defined work family conflict as 'a form of inter-role conflict in which the role pressures from the two domains, that is, work and family, are mutually non-compatible so that meeting demands in one domain makes it difficult to meet demands in the other'. That is, participation in the work role is made more difficult by virtue of participation in the family and vice versa. The major concern in this most widely used definition of work-family conflict is that role conflicts cause due to problems of role participation and emotional intelligence. Hence, difference in values, social relationships and requirements between work and family do not constitute conflict per se.

III. WORK-LIFE BALANCE AND RETENTION OF HUMAN CAPITAL: AN INDIAN CONTEXT

Former President Kalam has highlighted five factors i.e. agriculture, education, healthcare, and information technology and infrastructure development which would help in uplifting the 260 million people living below the poverty line while simultaneously sustaining the 7% growth in GDP. In India 540 million people below the age of 25 years; no other country has such a big bank of workable people who can work wonders. India has the greatest advantage of its talented workable force. Indian companies are giving due response to their human capital and are exploring ways to keep their employees happy. “I always focus on growing talent within the company and I think it is important to share the credit for good work. We may not have too many heroes in our company but we certainly have people who work very well together. My mantra is to focus on the people who have the ability to learn, says Shanghvi. Auto-manufacturer Mahindra and Mahindra has introduced two new schemes which are in pipeline for its top level managers in order to bring balance in their work and personal life. Company has changed its leave policy wherein it has introduced a compulsory 15-days leave for its middle and top-level officials. We want our employees to spend value time with their family at home”. The company is also focusing on training and development programme for the career mapping of the employees and provides them with a meaning professional career ahead.

3.1 Tactics in Retention of Human Capital

Employee retention is critical to the long term health and success of an organization. Top Management agree that retaining talented employees ensures customer satisfaction, product sales, satisfied co-workers and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning.

- (a) A satisfied employee knows clearly what is expected from him every day at work. Changing expectations keep people on edge and create unhealthy stress.
- (b) The quality of the supervision an employee receives is critical to employee retention. Frequent employee complaints center on these areas:
 - (i) Lack of clarity about expectations
 - (ii) Lack of feedback about performance
 - (iii) Failure to hold scheduled meetings
 - (iv) Failure to provide a framework within which the employee perceives that he can succeed.
- (c) The ability of the employee to speak his or her mind freely within the organization is another key factor in employee retention.
- (d) Talent and skill utilization is another environmental factor the key employees seek in the workplace.

Table 1.1: Guidelines for Effective Work – Life Balance	
Work-Life Balance – Work Plan	Work Plan
Considering the business case	Identifying the tasks
To draft a outcome that has to be achieved	Assign responsibility to Tasks
To develop objectives	To identify the milestones
Identify resource requirements	Identify the outputs of the Project
Define boundaries	Identify risk and strategy
Links to identify key people	Identify assumptions
Identify stakeholders in the Project	Plan for reporting

Source: www.ssc.govt.nz/worklife balance

IV. WORK-LIFE BALANCE PROGRAMS: A CASE OF SELECTED ORGANIZATIONS

4.1 Infosys

Infosys has a physical infrastructure benchmarked to a global workplace that supports fun and relaxation. The campus provides Infosions with facilities that help them stay fit as well as have fun. It has health clubs, which includes gymnasiums, yoga classes, basketball courts, swimming pools, etc. Some other initiatives taken by the company exclusively for the Infosions and their family members are:

Unmeelan: Art and culture night.

Samavesh: A talent night for Infosions from various development centers to compete.

Petit Infosion Day: A talent day for children of all Infosions.

HALE: “Health Assessment and Lifestyle Enrichment”, a program to improve the physical and psychological well-being of the employees

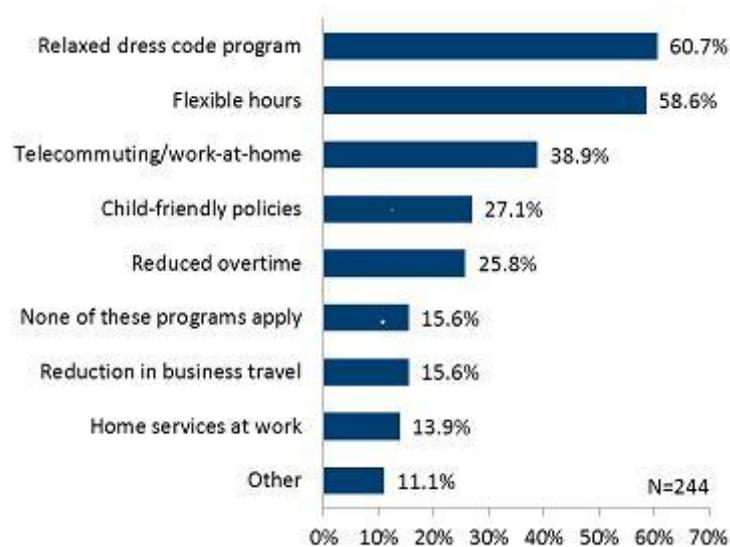


Figure 1 Percentage of Organizations Offering Work/Life Balance Program Source:
<http://www.apqc.org/blog/it-s-recovery-time-worklife-balance>

4.2 IBM

IBM India offers its employees options such as flexible workweek schedules, working from home, part time employment, family counseling, and leave of absence programmes under WLBP. Work-life balance programs in IBM have been established to help employees better manage their work and personal lives to cut down imbalances at work. IBM’s policy manual says that the organization is serious about helping employees achieve career/life balance.⁴ Other provisions include study reimbursements, global opportunities, recreational activities, clubs and helping employees deal with life events, from getting married to taking a career break. Work/Life balance is a strategic initiative that helps IBM to attract, motivate and retain the very best talent in the technology industry.

4.3 Tata Consultancy Services (TCS)

Tata Consultancy Services (TCS) is an emerging new economy organization under Tata group which has a pool of educated executive class employees. TCS provides the options to its employees to work flexi time with certain mandatory hours of work and five-day working provisions. It conducts regular seminars on nutrition, better living and stress management. Realizing the impact of long working hours, extensive travel and desk-bound jobs that skew the delicate work-life balance of many a TCSers, the company has encouraged the formation of groups with similar interests to come together to conduct various activities like book reading. ‘Maitree’ is an initiative for the spouses of employees and it has helped in bringing together the families of the employees.

Analysis of interviews with some of the HR managers in India suggests that most common policies and benefits across organizations in manufacturing and software sectors are maternity benefits and comprehensive health and medical insurance policies. Quite a few organizations offer flexi time, leave options like paternity

leave and so on to employee benefits like child care facilities, video conferencing to reduce travel, not scheduling work events during weekends and so on.

V. THE IMPACTS OF WORK-LIFE BALANCE PRACTICES

'Positive' Impacts	Agree/Agree strongly
Fostered good employment relations	88%
Helped retain more female employees	79%
Helped reduce absenteeism	66%
Improved Staff Motivation And Commitment	64%
Helped lower labor turnover	60%
Helped increase productivity	50%
Eased recruitment	49%
'Negative' Impacts	Agree/Agree strongly
Increased managerial workloads	37%
Increased overall costs	31%
Led to shortages of staff at key times	27%

Table-2.1- Base: 267(number of respondents responding to the question)

Source: DETR survey of local authorities, 2013

5.1 Advantages of Work-Life Initiatives

Work-life initiatives create positive employer branding, and support diversity initiatives. Building a strategic business case for work/life initiatives requires hard data documenting positive results on the balance sheet. Toward this end, there have been a number of studies dedicated to the financial impact of work/life programs in the last decade. There are various factors which determine the effectiveness of these programs as follows:

(i) Saving employee's time: WFD conducted research with clients across industries with 300 employees and documented that an average of 17 hours per year were saved when employees used a consulting service that provided counseling, referrals, and research in areas such as parenting, education, childcare, adoption, and eldercare.

(ii) Enhanced Employee Retention: *IBM'S* workforce survey that documented "the highest performers are the most likely to consider their ability to balance work and personal responsibilities in a decision to stay with the company."

(iii) Increased Motivation and Productivity: A study focusing on work, well-being and stress illustrates this link, finding that "45% of men and 50% of women would turn down a promotion if the new position would leave them with less time for their personal or family life."

(iv) Reduced Absenteeism: *Johnson & Johnson* "found that there was a 50% decline in absenteeism among employees who used flexible work options and family leave policies."

(v) Decline in Stress-Related problems among the employees: According to the American Institute on Stress, 1 million workers are absent due to stress-related complaints, and American firms lose more than 5 million workdays annually due to illness, more than half stress-related. A study made by Northwestern National Life Insurance Co. found that "72% of all workers surveyed experienced three or more stress-related illnesses/somewhat or very often." To present a solid argument for work/life policies and programs, the positive yet hard-to measure factors of work/life initiatives-corporate reputation, public relations, improved community relations, increased employee loyalty, and enhanced recruitment-should also be considered.

VI. STRATEGY TO WORK LIFE BALANCE

Developing a work –life balance policy and practices is a strategic change process. There are five suggested stages of intervention. These are:

- Undertake work-life balance assessment and need analysis. ("Where are we now?")
- Develop a strategic approach to work-life balance. ("Where do we want to be?")
- Plan and implement a work-life balance plan. ("How do we get there?")
- Evaluate the effectiveness of work-life balance initiatives. (Review of "How we got there?")
- Review of work-life balance needs and a strategic approach. (Review of "Where are we now?" and "Where do we want to be?")
- The strategy brings out the need for the systematic approach to undertake work-life balance assessment and develop a strategic plan to evaluate effectiveness of work - life balance initiatives.

VII. CONCLUSION

Work-life balance has become a subject of concern for both business' leader research scholars and in view of the contemporary demographic, technological, market, and organizational changes associated with it. An effective work-life balance is essential for ensuring high productivity in the corporate world. Companies need to focus on well-organized programs so as to bring a balance in the work and individual life. To cope with the coming changes, an organization should adopt a strategic approach. Proper planning is to be made to identify the tasks and the risk involved in achieving the desired goals. Further, programs are to be implemented as per the plans adopted. An organization should follow a systematic process keeping in view the vision and mission for smooth flow of work life balance. Through questionnaires, focus groups, or any other mode of feedback the employers should find out what employees feel about work-life balance. Alignment of work-life initiatives with HR strategy ensures the retention of a smart, qualitative, internal customer or the employees. Work life balance is a tool that companies need to use for increasing productivity and bringing out a balance in the work and individual life.

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