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# Organizational Work-life Balance Policies: A Study on Indian Insurance and Banking Sector

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## **Abstract:**

*For employees in high pressure occupation like insurance and banking industry, discovering the equilibrium between life and work is an off-putting task. The present study tries to look at the awareness, attitude, perceived importance and formalization of the work-life balance (WLB) policies of employees in insurance and banking sector. In this research, stratified random sampling technique was applied and a sample size of 148 was taken; then the reliability statistics such Cronbach's alpha was used. Statistical techniques used to analyze data were descriptive statistics (Mean and Standard Deviation), chi square test, Analysis of Variance (ANOVA) and related procedures thereof like Multiple comparisons (Games-Howell test, Tukey HSD) and Levene Statistics for Test of Homogeneity of Variances. Findings suggest that employees perceive leave policies like maternity/paternity, and bereavement etc. as the most vital WLB policy. Also, the study finds that there were no formal procedures on work life balance policies in institutes. Income, gender and type of organization had statistically significant influence on the attitudes of employees towards implementation of these policies.*

**Key words:** *Attitude, work-life balance, employees, insurance companies, banks*

## **Introduction and Literature Review:**

People having a measure of control over when, where and how they work is what the Work-life balance (WLB) essentially means. It is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm to mutual benefits for the individual, business and society.

Balancing one's personal life and professional life is a concept important in almost all the sectors of economy. In banking and insurance sector, people have high pressure job and they can easily be termed as overworked. They often have to forsake a pleasurable life and find it difficult to balance between their work and private life and this is negatively affecting their lives. These experiences have been

correlated directly to the quality of family life, psychological well-being and health by the research works (Greenhaus & Beutell, 1985).

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It is not understood by many organizations that providing and putting into practice flexible working practices could help to reduce their cost or contribute optimistically to their other key business challenges. Several researches have indicated that the work life balance is a set of factors which have influenced the employers' and employees' sensibilities in many ways. They have at times being cause of concern for both of them. Many micro, small and medium employers in Scotland have expressed a generally supportive views of the family friendly policies. They tend to be reactive to the request of employees in developing such policies (MacVicar et al., 2005). Administrative burdens, operational problems, management problems, time consumption and potential employee abuses have been deterring factors for these employers.

A support to the present study can be achieved by a survey which found that public sector organisations were more likely to implement the work-life balance policies (Managing Work-Life Balance International, 2007) and this indicates that some barriers may be affecting the private sector more than the public sector. A study of an insurance company by Pierce and Newstrom (1982) showed that as the level of flexibility offered by employers decreased, employees' turnover intentions increased.

Researches have persistently highlighted the conflict between the work and the family chipping one to the detriment of other. It (work-life balance) has been characterized by 'a lack of fit' regarding the life responsibilities of employees and the goals of their organization (Becker and Huselid, 1998).

Asadullah & Fernández (2008) found that WLB practices increase the likelihood of reporting higher

satisfaction and the results of the study indicate that WLB practices at the forefront of the worker's welfare policy improve the wellbeing of the workforce.

Bird (2006) studied methods to accelerate the implementation of a very successful work-life strategy within organization. He found out four primary factors which affect work life balance viz. growth and profit impact, full engagement, competitive advantage for talent and health-care cost solution.

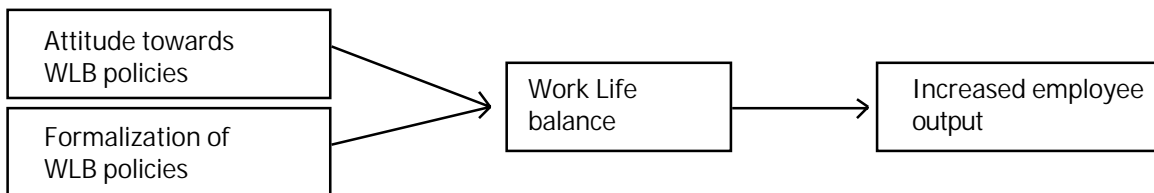
### Objectives:

The underlying objective of the paper is to comparatively assess the perceived importance of policies and practices of the work life balance among professionals of insurance and banking sectors. Further, the present research is designed to find out the extent of formalization of work-life balance policies in these two important sectors of economy. Lastly, the relative assessment of the attitudes of employees in banks and insurance companies towards the implementation of the work life balance policies is investigated.

### Conceptual framework of study

According to Clutterbuck (2003), the work-life balance is "a state where an individual manages real or potential conflict between diversified demands on his or her time and energy in a way that satisfies his or her needs for well being and self fulfillment". The conceptual framework of the present study envisages that the attitude of employees towards the implementation of various work life balance policies like study, carer, bereavement leave, pre-natal/post natal, maternity/paternity, flexible work arrangement among others and formalization of these policies achieve the work life balance of employees.

Figure 1 : Conceptual Framework



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In a high pressure vocation such as the bank and insurance sectors, increase in output per employee is based on how they perceive and take up the issue of balancing their work life and personal life. The conceptual framework of the paper is as follow.

### **Statement of Hypothesis:**

#### **1. Hypothesis 1**

##### **Null Hypothesis ( $H_0$ ):**

There is no significant difference in the attitudes of four groups (males and female employees in insurance and banking companies) towards implementation of the work life balance policies.

##### **Alternative ( $H_1$ ):**

There is a significant difference in the attitudes of four groups (males and female employees in insurance and banking companies) towards the implementation of the work life balance policies.

#### **2. Hypothesis 2**

##### **Null Hypothesis ( $H_0$ ):**

There is no significant difference between the attitude of groups towards the implementation of work life balance policies on the basis of income earned by employees.

##### **Alternative ( $H_1$ ):**

There is a significant difference between the attitude of the groups towards the implementation of the work life balance policies on the basis of income earned by the employees.

#### **3. Hypothesis 3**

##### **Null Hypothesis ( $H_0$ ):**

There is no significant difference in the attitude between male and female employees in banks and insurance companies towards implementation of the work life balance policies.

##### **Alternative ( $H_1$ ):**

There is a significant difference in the attitude between male and female employees in banks and insurance companies towards implementation of the work life balance policies.

## **Methodology**

**Research Design and Sample:** Research Design uses non-experimental, descriptive and quantitative technique. The sample size of the present study was 148 employees (after rejections and discrepancies) from banks and insurance companies of Meerut, Ghaziabad and Modinagar regions of Uttar Pradesh, India. The sampling technique was stratified random sampling, the strata being male and female employees working in insurance companies and banks such as Bajaj Alliance, Reliance Insurance Pvt. Ltd., Life Insurance Corporation of India (LIC), Syndicate Banks, Canara Bank, State Bank of India, Punjab National Bank, Corporation Bank, Indian Bank, ICICI Bank, HDFC Bank and Kotak Mahindra Bank randomly selected from such fifty organizations.

Questionnaire having five point Likert type scale, open and close ended questions was used. Various statistical methods have been employed to analyze data such as descriptive statistics (Mean and Standard Deviation), chi square test, reliability statistics (Cronbach's Alpha), Analysis of Variance (ANOVA) and related procedures thereof like multiple comparisons (Games-Howell test, Tukey HSD) and Levene Statistics for Test of Homogeneity of Variances.

## **Findings**

### **Reliability Statistics:**

The reliability coefficient for factors were: Leave Policies .588; Parenting related issues, .820; Flexible work arrangements .587; Additional work provisions .869; Attitude of employees towards the implementation of work life balance policies scale .840. Statistical Package Social Sciences (SPSS) version 16 was used for all type of type of data procesing.

In accordance with studies of Churchill (1979) and Gerbing & Anderson (1988), the reliability procedures for all reflective scales comprised the calculation of Cronbach's alphas. Nunnally and Bernstein (1994) consider values that vary around 0.50 as being the lower limit of acceptability and all the above mentioned values are thus deemed acceptable. Table 1 demonstrates the reliability statistics of the present study, having constructs with adequate reliability.

**Table 1: Reliability Statistics**

Reliability Statistics Factors	Cronbach's Alpha	No. of Items
Leave Policies	.588	6
Parenting Related Issues	.820	6
Flexible work arrangements	.587	6
Additional work provisions	.869	6
Attitude of employees towards the implementation of work life balance policies	.840	24

**Descriptive statistics**

Table 2 provides a summary of descriptive statistics of means and standard deviations for scores for each of the above mentioned factors. Overall, respondents

perceive parenting related issues as a policy which is the most important in the organization they are working (M = 3.86, SD = .509) and while least important was their perception towards flexible work arrangement (M = 3.73, SD = .567) was less important.

**Table 2: Descriptive Statistics**

Factors	No.	Mean	Std. Deviation
Leave Policies	148	3.95	.375
Parenting Related Issues	148	3.86	.509
Flexible work arrangements	148	3.73	.567
Additional work provisions	148	3.81	.486
Attitude of employees towards the implementation of work life balance policies	148	3.16	.591

**Formalization of Policies**

The research also ascertains how formal the system of work life balance policies in an organization was. Majority of banks and insurance companies with

88.72% and 91.20% respectively do not have written copies of the work life balance policies. None of the employees in these two sectors have been provided with a copy of work life balance policies.

## Hypotheses Testing

According to Aron et al. (2007) "Hypothesis testing is a systematic procedure for deciding whether the results of a research study, which examines a sample, support a particular theory or practical innovation, which applies to a population" (p.115). There is a

significant difference between attitudes of four groups (males and female employees in insurance and banking companies) towards the implementation of work life balance policies and thus null hypothesis is rejected  $F(3,144) = 3.262, p < .05$ . The variable is abbreviated as GENCOM.

**Table 3: ANOVA-1**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.272	3	1.091	3.262	.023
Within Groups	48.153	144	.334		
Total	51.426	147			

Levene statistic (3.921), further rejects the assumption that group variances are equal as .010 significance

show that variances of four groups are significantly different (value of significance is less than 0.05).

**Table 4: Test of Homogeneity of Variances-1**

Levene Statistic	df1	df2	Sig.
3.921	3	144	.010

Thus, after having the result that variances in standard deviation is not homogeneous, Games-Howell test was applied to data which assume that there is no homogeneity of variances. After each group of subjects is compared with all of the remaining groups,

it was found that between male employees in banks and their female counterparts in insurance sector and male and female employees in banks have significant difference in their attitude towards implementation of the work life balance policies ( $p < .05$ ).

**Table 6**

(1) Gencom	(J) Gencom	Mean Difference (I-J)	Std. Error	Sig.	95 Confidence Interval	
					Lower Bound	Upper Bound
Male Employees (Banks)	Female Employees (Insurance)	-.318	.131	.032	-.67	.04
	Female Employees (Banks)	-.495	.170	0.48	-.99	.00

\*. The mean difference is significant at the 0.05 level.

There is a significant difference between the attitude of the groups towards the implementation of the work life balance policies on the basis of income earned by the employees with  $F(3,144) = 10.298, p < .05$ .

**Table 6 : ANOVA-2**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	9.084	3	3.028	10.298	.000
Within Groups	42.342	144	.294		
Total	51.426	147			

Levene statistic (.190) further accepts the null hypothesis that group variances are equal as .051 significance confirms that variances of the groups based on income are significantly different (value of significance is greater than 0.05).

**Table 7 : Test of Homogeneity of Variances-2**

Levene Statistic	df1	df2	Sig.
2.647	3	144	.051

**Table 7 : Test of Homogeneity of Variances-2**

Levene Statistic	df1	df2	Sig.

Tukey HSD test shows that among the income level of INR 15-25000 compared to income levels INR 25001- 35000, INR 35001-45000 and more than INR 45000 are significant (significance levels being less than .05). Therefore, it rejects the null hypothesis that there is no significant difference between income levels of the employees and their attitude towards the implementation of work life balance policies.

**Table 8 Multiple Comparisons (Tukey HSD)**

(1) Income	(J) Income	Mean Difference (I-J)	Std. Error	Sig.	95 Confidence Interval	
					Lower Bound	Upper Bound
Tukey HSD INR 15-25000	INR 25001-35000	-.588*	.181	.000	-.89	.28
	INR 35001-45000	-.467*	.121	.001	-.78	-.15
	More than INR 45000	-.373*	.129	.023	-.71	-.04

\*. The mean difference is significant at the 0.05 level.

To test the null hypothesis that there is no significant difference between the male and the female employees in banks and insurance companies vis-à-vis their attitude towards implementation of work life balance policies chi square test (value=8.414, df 2

and  $p < .05$ ) was performed. The null hypothesis is rejected, which implies that statistically speaking the male and the female employees have different attitudes for work life balance policies in their organizations.

**Table 9: Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.414 <sup>a</sup>	2	.015
Likelihood Ratio	11.111	2	.004
Linear-by-Linear Association	8.308	1	.004
N of Valid Cases	148		

### Discussion, Limitation, Implication and Conclusion

In the study, two factors have been investigated viz. Attitude towards WLB policies and the formalization of WLB policies. The relationship of these factors was established on the basis of demographic factors like income, gender and four stratified groups thereof (males and females in banks and insurance companies).

Descriptive statistics found that employees in both sectors perceived parenting related issues as a policy which is most important in the organization they are working ( $M = 3.86$ ,  $SD = .509$ ) and least important was flexible work arrangement ( $M = 3.73$ ,  $SD = .567$ ). It was startling that these very important policies are not at all formally implemented in the organizations. None of the respondents were offered a copy of these policies and most of banks and insurance companies did not even have printed material regarding the same.

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Further, multiple comparisons procedure in one way ANOVA test revealed that on comparing the male and the female employees in banks insurance sector presents a significant difference in their attitude towards implementation of the work life balance policies. Additionally, Tukey HSD procedure confirms that income of the employees have an effect on the attitudes of the employees vis-à-vis implementation of the work life balance policies. Between all the male and female employees of both sectors, chi square test revealed a significant difference in attitude regarding implementation of the work life balance policies.

Variables like different hierarchy in the personnel employed in both organizations can also be done in future research by analysing the work life balance. There was scope for more hypotheses to be tested; nevertheless the present study can be used as a stage to develop and initialize further studies in the banking and related sectors. The policy makers and human resource experts in banking and insurance sectors can design work-life balance policies which are appropriate and appreciated by people working in this sector.

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