



## ROLE OF WORK LIFE BALANCE IN ATTRITION OF EMPLOYEES – A STUDY WITH REFERENCE TO IT COMPANIES IN CHENNAI

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### Abstract

*The demand for work-life-balance solutions by employees and managers is expanding at an unprecedented rate. As a result, work-life balance is an increasingly hot topic in boardrooms today. Over the coming decade it will be one of the most important issues that executives and human resource professionals will be expected to manage.*

*Because of the business and personal links between these critical issues, executives now recognize that organizational objectives and individual work-life objectives are not “either/or” choices. It is not “Do we get the most out of our people? Or do they have lives?” Instead it is,*

*The way we get the most out of our people is by encouraging each of them to have a life, It is the job of the senior management team and specifically HR to make this happen in ways that are consistent with the organization’s business and customer-service objectives.*

**Key Word:** *Work Life Balance, Impact of Work Life Balance, Factors for Attrition.*

### Introduction

Individuals experience more conflict between work and personal life as they continue to pursue the quality of life that they need. Thus, successfully balancing work and family life is one of the major challenges facing current individual workers. We Understand That If An Employee Could Balance his Work Life With Personal Life, Then An Individual Prove To Be Stress Free, He Performs Better, Gets Good Recognition, Raise In Salary, And Then Job Satisfaction And Goes On.

Work-life balance issues have been considered personal issues, and employers have just responded to their employees’ needs by providing additional benefits such as on-site childcare service and paid maternity leave in the workplace. However, with environmental shifts and value changes of employees, employees’ desire for work-life balance has increased and employers have begun to offer more active support of their employees’ work-life balance. Thus, organizational efforts for ensuring employees’ work-life balance are needed and valued more than ever.

Most research studies have clearly depicted that when there is a happy home, work places automatically becomes conflict free and hence there is a decrease in attrition. Need of work life balance has resulted in initiatives such as flexible working hours, alternative work arrangement, leave policies, family care benefits, family counseling session for employees to lead a stress free life.

### Literature Review

A number of studies have addressed this issue from different perspectives. Greenhaus and Beutell (1985) and Greenhaus et al. (1989) examined the antecedents of conflict between family and work, Goodstein (1994) and Ingram and Simons (1995) presented an institutional perspective on organizations’ responses to work-family issues.

Excessive fatigue and family and social life disruption may also result in increased sickness absence, and lower job satisfaction and employee well-being. Unsocial hours are generally linked to weekend work, evening & night work, and morning shifts that start very early (Colligan and Rosa, 1990; Smith, 1993; Wedderburn, 1967). They may disrupt normal family life (Barling, 1990) and also may impact on parental and partner roles (Barton et al., 1998; Bunnage, 1984; Repetti, 1989). They also disrupt social life and community involvement (Colligan and Rosa, 1990). Unsocial hours may also disrupt normal patterns of sleep, and thereby contribute to fatigue (Duchon et al., 1997; Tepas et al., 1997). In addition, Campbell, Campbell and Kennard (1994) have studied the effects of family responsibilities on the work commitment and job performance of women. The work-family issue is even further expanded to address the relationship of business-marriage partners (Foley & Powell, 1997).

Rebecca Bundhun quotes in The National (2009), an Abu Dhabhi National Paper 1 that Women and men generally have a different perception of what the "life" part of the balance involves. For women it tends to be devoting more time to family, while for men it is spending more time pursuing personal interests. She also quoted the paper of Dr Katy Marmenout,



a research fellow at the INSEAD School in Abu Dhabi with his words that work-life balance is not simply about equally dividing the time spent on one's work and personal life, but establishing a harmony that reflects an individual's priorities. So, this allows for acceptance of the happy workaholic or the satisfied stay-at-home mum or dad. How can we measure or evaluate work-life balance? The best indicator would be that it should feel right, she said. Whereas researcher Murphy and Doherty (2011) revealed that it is not possible to measure work-life balance in an absolute way as there are personal circumstances which influence the way that is perceived but establishing a harmony that reflects an individual's priorities whereas employees must draw a firm line between their home and work lives and be confident that the line is in the right place (Harvard Business Review, page184).

### **Gaps in the Literature**

After reviewing, national and international literature pertaining to work life balance and attrition the researcher identified 2 predominant gaps namely

1. Factors responsible for WLB.
2. The relationship between WLB and attrition.

These 2 gaps were unaddressed at National and International levels, this innovative aquiline induce the researched to venture on identifying role of Work Life Balance and the attrition of employees in IT companies.

### **Objectives of the Study**

The following are considered as main objectives for the present research.

1. To study the predominant factors of Work Life Balance
2. To finds the influence of Work Life Balance factors on Attrition of employees.

### **Hypothesis**

1. The factors of Work Life Balance do not differ significantly,
2. There is no relationship between WLB and attrition of employees.

### **Research Methodology**

The study is based on both primary and secondary data & it is a descriptive type of research.

The primary data is collected through a structural questionnaire circulated among the employees in IT Companies. The researcher selected Top 5 IT companies and circulated 50 questionnaires to each in those companies.

Convenience sampling method is applied to collect the responses from the employees.

After circulation the researcher is able to collect only 220 filled in questions. After scrutiny 8 of them were found with flaws and those have been rejected from research domain, hence the sample size of the research in 212.

### **Data Analysis**

The researcher use both univariate and multivariate statistical tech, in fact the researcher exploited factor analysis by principal component method by linear multiple regression analysis. In this research WLB is considered as independent variable and attrition is identified as dependent variable.

### **Analysis & Discussion**

Regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables.

The study is based on 3 stages of attrition 1) Factors influencing attrition, 2) Impact of attrition and 3) Measure to reduce the attrition. Therefore in this juncture, a multiple regression analysis is used to find the influence of WLB factors influencing attrition as well as measures to overcome the attrition.

### **Influence of WLB Factor on Impact of Attrition**

The researcher considered WLB factors core policy, organizational procedure, organizational branding of business related factors. Similarly employer strategy, employee dissatisfaction, employment scope, career development of system related factors, management methodology, interpersonal relationship of supervisor related factors, personal constraints, employee migration self migration of individual related factors on attrition is individually done through regression analysis as follows:



### Influence of WLB Factors Influencing Attrition on Organisational Cost

The sub factors of business, system, superior, individual related factors and their respective influence on organizational cost is estimated through regression analysis.

**Table 1: Model Summary of Factors Influencing Attrition on Organizational Cost**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.533(a)	.284	.269	.64497

Source: Computed Data

From the above table, it is found that  $R=0.533$ ,  $R^2 = 0.284$  and adjusted  $R^2 = 0.269$ . This indicates that the independent variables factors influencing attrition create 28.4% variance over organizational cost. This leads to the verification of regression fit in the following analysis of variance.

**Table 2: ANOVA of Factors influencing Attrition on Organizational Cost**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	92.262	12	7.689	18.482	.000(a)
	Residual	232.123	558	.416		
	Total	324.386	570			

Source: Computed Data

From the above table, it is found that  $F=18.482$ ,  $P=.000$  are statistically significant at 5% level. Therefore it can be concluded that regression fit is significant and it further leads to the verification of individual influence.

**Table 3: Coefficient of Factors Influencing Attrition on Organizational Cost**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	.741	.135		5.473	.000
	Core policy	.086	.055	.082	1.550	.122
	Organizational procedure	.036	.046	.038	.794	.427
	Organizational branding	.081	.038	.098	2.119	.035
	Employer strategies	.023	.050	.024	.458	.647
	Employee dissatisfaction	-.080	.048	-.087	-1.682	.093
	Employment scope	.077	.053	.080	1.463	.144
	Career development	.052	.047	.056	1.127	.260
	management methodology	.174	.050	.180	3.491	.001
	Inter personal relationship	.137	.044	.152	3.099	.002
	Personal constraints	-.013	.051	-.012	-.266	.790
	Employee migration	.057	.049	.055	1.169	.243
	Self migration	.081	.043	.083	1.882	.060

Source: Computed Data

From the above table, it can be concluded that organizational branding ( $t=2.119$ ,  $p=.035$ ), management methodology ( $t=3.491$ ,  $p=.001$ ), Interpersonal relationship ( $t=3.099$ ,  $p=.002$ ) are statistically significant at 5% level..

### Influence of WLB Factors Influencing Attrition on Organisational Challenges

**Table 3: Model Summary of Factors influencing Attrition on Organizational Challenges**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.448(a)	.201	.184	.72960

Source: Computed Data



From the above table, it is found that  $R = .448$ ,  $R^2 = .201$  and adjusted  $R^2 = .189$ . This indicates that the independent variables factors influencing attrition create 20.1% variance over organizational challenges. This leads to verification of regression fit in the following analysis of variance.

**Table 4: ANOVA of Factors influencing Attrition on Organizational Challenges**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	74.598	12	6.217	11.678	.000(a)
	Residual	297.031	558	.532		
	Total	371.629	570			

Source: Computed Data

From the table, it is found that  $F=11.678$ ,  $P=.000$  are statistically significant at 5% level. Therefore it can be concluded that regression fit is significant and it further leads to the verification of individual influence.

**Table 5: Coefficients of Factors Influencing Attrition on Organizational Challenges**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	.993	.153		6.488	.000
	Core policy	.130	.063	.116	2.074	.039
	Organizational procedure	.045	.052	.044	.868	.386
	Organizational branding	.005	.043	.006	.121	.904
	Employer strategies	.014	.056	.013	.244	.807
	Employee dissatisfaction	.026	.054	.026	.482	.630
	Employment scope	.084	.060	.082	1.404	.161
	Career development	-.001	.053	-.001	-.024	.980
	management methodology	.086	.056	.083	1.534	.126
	Inter personal relationship	.156	.050	.161	3.111	.002
	Personal constraints	.128	.057	.108	2.237	.026
	Employee migration	.002	.055	.001	.029	.977
	Self migration	-.048	.049	-.045	-.979	.328

Source: Computed Data

From the above table, it can be concluded that core policy ( $t=2.074$ ,  $P=.039$ ), interpersonal relationship ( $t=3.111$ ,  $p=.002$ ), personal constraints ( $t=2.237$ ,  $p=.026$ ) are statistically significant at 5% level.

### Findings & Conclusion

Organizational branding, management methodology; interpersonal relationships existing among IT create attrition abundantly. In particular these factors play a vital role in increasing organizational cost due to attrition. It is also revealed that core policy, interpersonal relationship; personal constraints existing among employees create attrition abundantly. In particular these factors play a vital role in increasing organizational challenges of IT companies due to attrition. The study helped in the fact that WLB is most important for the employees. There is a crisis in human capital management. We need fundamental reform in order to address this crisis and ensure long-term ability to hire and manage a high-quality, high-performing workforce. Most employees are not motivated solely by money. Historically, firms have used money and financial rewards to retain employees. High tech employees are enjoying the fastest salary progression of almost any profession, yet they are changing jobs constantly. Today's employees seek more than monetary compensation.