INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

ASSESSMENT OF WORK-LIFE BALANCE (WLB) AMONG EMPLOYEES IN BANKING INDUSTRY IN MALAYSIA

Author: Herlina Hartanto
Student No: I11009529
Supervisor: Dr. Jagdeep Singh Jassel
Submission Date: 14 December 2012
Ethics Number: INBS383
Final Word Count: 20238 words
Abstract

Since the introduction of Government Transformation Programme (GTP) and Economic Transformation Programme (ETP) towards achieving Vision 2020, development in all dimensions including the quality of work life of people becomes priority in Malaysia. While banking industry is known for long and inflexible working hour, this study explores work-life balance among employees in banking industry in Malaysia.

This study therefore aims to assess the factors contributing to work-life balance in banking industry in Malaysia context. Nine semi-structured interviews were conducted to employers and employees in 3 local commercial banks. Data were analysed by using template analysis method.

The findings mentioned workload, organisational support, managerial support and co-worker support as four factors contributing to work-life balance among employees. A brief recommendation to individual level, managerial level, organisational level and human resource department is covered.

(132 words)
Acknowledgement

To the Almighty, for His wonderful blessings upon my life and my studies

To my supervisor, Dr. Jagdeep, for every guidance in this thesis journey and also in Human Resource discipline

To my parents, David Hartanto and Jong Tjie Njo, and also to David T-poz for the support in ways I never imagine

To my Malaysian family, Pa Chik and Auntie Elizabeth Chan’s family

To Gladys, Chanchal, Karen, Steven, Dandan, Mohammed, and Xiao Qi for their sharing and caring

To Christie and Gene for every adventurous Melaka memory
Declaration by Candidate

I hereby declare that this thesis is my own work and effort and that it has not been submitted anywhere for any award. Where other sources of information have been used, they have been duly acknowledged.

Name : Herlina Hartanto

Signature : Herlina

Date : 19-11-2012

INTI International University (2012)
Table of Contents

Abstract .................................................................................................................. 2
Acknowledgement ................................................................................................. 3
Declaration by Candidate ....................................................................................... 4
Table of Contents .................................................................................................. 5
List of Figures ....................................................................................................... 8
List of Tables ........................................................................................................ 8
1.0 Introduction .................................................................................................... 9
  1.1 Overview of Work-Life Balance ................................................................... 9
    1.1.1 Terminology Shift to Work-Life Balance ............................................ 9
    1.1.2 Work-Life Balance Emergence in Malaysia ...................................... 10
    1.1.3 Overview of Banking Industry towards Work-Life Balance .......... 10
  1.2 Problem Statement ....................................................................................... 12
  1.3 Research Questions and Objectives ............................................................. 13
  1.4 Assumptions ................................................................................................ 13
  1.5 Limitations ................................................................................................... 14
  1.6 Significance of Research ............................................................................. 14
  1.7 Thesis Structure .......................................................................................... 15
2.0 Literature Review ............................................................................................ 16
  2.1 Understanding Work-Life Balance ............................................................... 16
  2.2 Theoretical Model of Work-Life Balance .................................................... 18
    2.2.1 Demand-Control (D-C) Model............................................................ 19
    2.2.2 Organisational Support Theory ......................................................... 20
    2.2.3 Conservation of Resources (COR) Theory ....................................... 21

INTI International University (2012)
2.2.4 Person-Environment (P-E) Fit Theory ........................................ 23
2.3 Framework Formulation to Work-Life Balance .................................. 24
  2.3.1 Time Spent at Work.................................................................. 24
  2.3.2 Workload.............................................................................. 26
  2.3.3 Organisational, Managerial and Co-workers’ Support................. 27
  2.3.4 Career Consequences............................................................. 28
2.4 Banking Industry in Malaysia .......................................................... 29
2.5 Literature-Based Framework............................................................. 30
2.4 Chapter Summary .......................................................................... 30
2.6 Chapter Summary .......................................................................... 30
3.0 Methodology .................................................................................. 31
  3.1 Research Design ......................................................................... 31
  3.2 Discourse Analysis ..................................................................... 31
  3.3 Data Collection Procedures............................................................ 32
    3.3.1 Secondary Sources Collection ................................................ 32
    3.3.2 Sampling Strategy .................................................................. 32
    3.3.3 Research Interview ................................................................. 34
    3.3.4 Design of Interview Guide ....................................................... 34
    3.3.5 Conducting the Interviews ....................................................... 37
  3.4 Data Analysis using Template Analysis .......................................... 39
  3.5 Ethical Considerations .................................................................. 40
  3.4 Chapter Summary .......................................................................... 41
4.0 Findings and Analysis ..................................................................... 41
  4.1 Template Development .................................................................. 41

INTI International University (2012)
List of Figures

Figure 2.1. Demand-Control (D-C) Model ................................................................. 20
Figure 2.2. Organisational Support Theory ............................................................. 21
Figure 2.3. Conservation of Resources Theory ......................................................... 22
Figure 2.4. Person-Environment (P-E) Fit Theory ...................................................... 24
Figure 2.5. Individual average overtime level per year, by industry ......................... 25
Figure 2.6. Literature-Based Framework ................................................................... 30
Figure 3.1. Interview Guide ...................................................................................... 37
Figure 3.2. List of Interviews .................................................................................... 37
Figure 3.3. Template after 9 interviews on work-life balance among employees in banking industry in Malaysia ............................................................................. 40
Figure 4.1. The final framework of Work-Life Balance among Employees in Banking Industry in Malaysia ................................................................. 42

List of Tables

Table 3.1. List of local commercial banks in Malaysia selected as sample for this research ................................................................................................................. 33
Table 4.1. Highlights on the Excerpts for General Perception to WLB ..................... 47
Table 4.2. Highlights on the Excerpts for Workload to WLB ...................................... 52
Table 4.3. Highlights on the Excerpts for Organisational Support to WLB .............. 57
Table 4.4. Highlights on the Excerpts for Managerial Support to WLB .................... 62
Table 4.5. Highlights on the Excerpts for Co-worker Support to WLB ...................... 66
1.0 Introduction

This chapter covers the overview of work-life balance as one of the important areas in business particularly Human Resources. The problem statement, research questions/objectives, significance, limitations and assumptions will also be explained in this chapter.

1.1 Overview of Work-Life Balance

In the past, there have been a number of researches showing that work and family are the most significant areas in the life of employed individuals (Kofodimos, 1993; Lewis & Cooper, 1995; Papalexandris & Kramar, 1997; Greenhaus, Collins and Shaw, 2003). Interest increment in this area is partly driven by the concern that unbalanced work-family life can result in reduced health and performance of individuals, families and organisations. However, there is no well developed construct to further investigate the phenomenon.

1.1.1 Terminology Shift to Work-Life Balance

A shift terminology to 'work-life balance' was first created in 1986 as a response to the Americans’ favour of choosing work place to pursue corporate goals while neglecting family, friends and leisure activities (Kumar and Shivakumar, 2011). It is aimed to include employees achieving non-work activities other than family such as sports, study and travel (Kalliath and Brough, 2008). It is stated that a balanced life should fulfill emotional, intellectual, imaginative, spiritual and physical as key areas of importance. Thus, neglecting one or more areas threaten the balance of the whole (Kumar and Shivakumar, 2011). In this research, the term 'work-life balance' is used to examine the balance of work and non-work domains. Sharing and reallocation of time therefore is seen as a way to increase the permeability of work and life boundaries whereby some people are effective at mobilising help from family or spouse (Belle, 1991); while in contrast, for others, overlapping between network and social ties increases work-life conflict (Lewis and
Cooper, 1999). In a bigger picture, Voydanoff (2001) states that work, family and community is a mesosystem, connected to each other. Therefore, due to globalisation, technology, and demographics changes (explained further in literature review), the demand for work-life balance is more than ever.

1.1.2 Work-Life Balance Emergence in Malaysia
In Malaysia, since the introduction of Government Transformation Programme (GTP) and Economic Transformation Programme (ETP) towards achieving Vision 2020, development in all dimensions including the quality of work life of people becomes priority. With 1Malaysia concept of People First, Performance Now by the Prime Minister in April 2009 (rsni, 2010), issue in work-life balance becomes a hot topic since it is demanded by employees and is expected to be managed by managers (Bird, 2006). Many companies in Malaysia have started to realise the importance of work-life balance while many Multi-National Companies (MNC) in Malaysia have started to implement work-life balance programmes for more productive workforce (MYworklife, 2012).
At the same time, work-life balance has been getting attention from academic circles as well as professional business practice. It is an HRM strategy which brings many benefits such as employee attraction, development and retention. Thus, companies with work-life balance support establish their image of being supportive to their employees and they enhance their reputation as the employers of choice (Mescher, Benschop and Doorewaard, 2010). At the end, work-life balance programmes present a win-win situation for both employers and employees (Ladaur, 1997; Lockwood, 2003).

1.1.3 Overview of Banking Industry towards Work-Life Balance
Focusing on the banking industry, Gudrais (2010) mentions that financial sector workers are having bad quality of life, as the field gets more inflexible in term of the time spent at work. In addition, long and inflexible working hour have long been the culture of banking industry. This culture has become prevalent among private sector firms too. A survey by Managing Work-Life Balance international (2004)
states that reduce in work/life issues has brought positive effects such as reduced turnover by 4.5%, reduced absenteeism by 3.5%, increased return rate from parental leave by 24%, and increased employee satisfaction by 11%. The percentage in highly flexible organisations is even higher, for instance, reduced turnover by 8% and reduced absenteeism by 4.5%. While a number of positive consequences appear, it is also worth noting that turnover due to long hours culture more highly affects banking sector as compared to other sectors with 29% turnover rate as compared to 15% turnover rate. Therefore, the impact of long hours resulting in turnover affects highly in banking sector. The same survey mentioned that 43% of respondents spend more time at work because the culture of presenteeism is more rewarding than the results.

Comparing the third and the fourth work-life balance employee survey conducted by Crown in United Kingdom in 2007 and 2012, it is stated that in 2007, 56% of the respondents working in banking, insurance and finance had overtime while only 25% of them had overtime five years after. The number of percentage in flexitime does not really change with 61% in 2007 and 58% in 2012. Percentage of compressed week increases from 39 to 46%; while working from home percentage is increasing from 42% to 51%. Therefore, based on this survey, we can conclude that the work-life balance in banking industry is improving.

Another support mentions that financial centres in New York, London, Sydney and Melbourne have embraced work-life strategy to better retain global talent. In Singapore, the start of the liberalisation of domestic banking sector happened in 1999 while researches have been done by the Ministry of Manpower (2005) as a gateway to better implement work-life strategy in banking and other sector.

While there are many initiatives towards implementation of work-life balance in banking industry, there are only a few number of researches has been done in Malaysia and developing economies context. This research tries to bridge the gap on the literature of work-life balance among employees in banking industry in Malaysia.
1.2 Problem Statement

Work-life balance is indeed an appealing concept defining a juggling act between work and non-work activities such as family time and personal time. The presence of work-life balance in organisations is viewed as an effective strategy for better employees’ productivity, performance and commitment by minimising employees’ conflicts between work and non-work lives (Bird, 2006). In contrast, Porter and Alman (2010) state that the absence of the practices might cause less productive and less satisfied workforce.

As we know that the demand for productivity and performance is increasing in today’s business, working environment has been more stressful than ever before. There would be only a few people who say that they are working the same as they were 10 years ago; whether it is because of the employers’ demand or by choice. All these changes have shifted each and every individual’s lifestyle upon work, family and life.

While the economy has been showing a strong growth, employers have a need to work harder to retain their employees with the fact that turnover reduces profits and damages morale. New management trends focus not only in pure salary but also in other facilities and one of the areas is work-life balance opportunity. The programmes vary greatly from one company to another and how far they are depending on the management and organisation. However, the most important thing is the total ‘buy in’ from the senior management and the organisation (Hays, 2012).

Survey by The Managing Tomorrow’s People found that 36% of respondents want a better work-life balance; while 45% of respondents are good to shoulder more work with appropriate payment. Moreover, around half of the Malaysian employees are encouraged to be accessible by company email through their smartphone, while 68% say that they experience information overload. Next, around 38% of employees said that they are expected to be available 24/7; while 66% mentioned that they handle work outside office hour and even on holiday (Randstad Work

INTI International University (2012)
Monitor, 2012). However, the survey discovered a dilemma showing that 66% of employees feel they are short of expectations if they do not respond to the emails/phone calls.

Many companies in Malaysia have work-life balance programmes for more productive workforce. However, surveys by PricewaterhouseCoopers (PwC) mentioned that Malaysian workforce seeks for a better work-life balance in addition to having salary according to work responsibility (Stanley, 2010; MYworklife, 2012; Koh, 2010). It is tally with Pruchno et al. (2000) stating that employees nowadays expect more value on quality of life by having work and life in balance. Therefore, the assessment of work-life balance is needed.

1.3 Research Questions and Objectives

The purpose of this research is to provide information on work-life balance in banking industry in Malaysia from employees’ perspectives. Hence, the following questions and objectives have been established:

Questions:
1. What is work-life balance practice in the company?
2. What are the factors contributing to work-life balance?
3. What is employees’ expectation as compared to the current practices?

Objectives:
1. To understand work-life balance practice in the company
2. To examine factors contributing to work-life balance of employees
3. To identify employees’ expectation of work-life balance as compared to the current practices

1.4 Assumptions

The topic generates assumptions that balance in work and life is something that everybody wants. Moreover, participants’ responses are on individual basis and not influenced by one another.

INTI International University (2012)
1.5 Limitations

The first limitation of the research is that generalisation from the findings would be too bold to reflect the entire banking industry in Malaysia. While the involvement of researcher in the process could never set the research free from bias, the use of semi-structured interviews is to reduce bias by allowing researcher to go back to the questions preset. Moreover, the selection of respondents is based on respondents’ availability thus; there is no proper geographical distribution of the respondents’ workplaces. For the template analysis, selection of fragments of text might result in some loss of meaning. More importantly, human nature is intriguing thus; the selection of unit of analysis (employees) is never free from bias.

Moving to the limitation of the topic, ‘work-life balance’ is subject to individuals. It also evolves overtime therefore factors contributing to work-life balance are changing from time to time and continuous assessment is needed. The findings might be also affected by other variables that were not selected in this research.

1.6 Significance of Research

Based on literature review, work-life balance practice create ‘win-win situation’ towards employees and organisation by enhancing productivity, performance and profit. Hence, this research tries to provide information to employers and other interested parties to the practices and expectation of work-life balance aiming for better implementation of the practices in future. While employees have opportunity to convey their perceived balance, companies and employers are also benefiting provided executive summary of research findings. Participants’ self-awareness towards achieving balance may be heightened after the study and management may be sensitised to the motivational impact of structuring work. Overall, it contributes to the body of knowledge of work-life balance especially in banking industry in Malaysia.
1.7 Thesis Structure

Chapter 1 begins with the emergence of work-life balance in the life of employed individuals and how it gains more attention overtime. An overview in banking industry towards work-life balance is also described. Lastly, the necessity to study this topic is highlighted in the problem statement.

Chapter 2 highlights a brief definition of work-life balance and how it evolves overtime, followed by theoretical models and finally the formation of research framework. A concise literature on banking industry in Malaysia is also covered.

Chapter 3 covers the methodology used in this study, with justification on data collection and data analysis procedures, as well as qualitative approach as a whole.

Chapter 4 contains mainly findings with an adoption of new framework, and brief discussion and analysis

Chapter 5 discusses conclusion on the research topic; followed by recommendation to a number of parties, future research and personal reflections.