INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

WORK-LIFE BALANCE PRACTICES AMONG WORKERS IN MANUFACTURING INDUSTRY IN MALAYSIA

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ABSTRACT

The work-life balance has become a new pattern for worker in organization to balance their career and lifestyle. Why work-life balance important. It started where many of the employees could not overcome stress in themselves. Stress is powerful disease in organization it may affects both worker and organization. When employee imbalance between their work and life it trigger many problem such as health affected due to work long hours or workload, lack of family attention especially women, and stressful. As such affect the organization performance such as low morale at work, absenteeism, and high turnover.

The problem of work-life balance in Malaysia is moderate because the readiness for employee to change their work pattern still in progress and need to be improved. Many of Malaysian aware of the work-life balance and some multi-national corporations (MNC) in Malaysia have already implemented work-life balance to support happier and productive workers [MYWorklife 2013]. Work-life Balance also one of the initiative for organization to reduce employee stress for example in Malaysia flexibility such as allow employee to change work location near to their home.

The objective of this research is to examine production worker's work-life balances practices in manufacturing industry in Malaysia. To understand employee challenges on WLB and employer challenges on providing WLB

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List of Abbreviations

WLB – Work-life Balance

SPSS – Statistical Product and Service Solution

D-C Model – Demand and Control Model

PLS – the partial least square

FL- Factor loadings

1.0 CHAPTER 1 – INTRODUCTION

1.1 BACKGROUND OF WORK-LIFE BALANCE

In 21st century the pattern of workplace has change due to demographic, changes in organization culture, organization work-life policies, women (mother) worker increase and work-life balance has been contributed by many academic journals link work-life balance with gender, organization performance, career by stages. The benefits of work-life balance have shows impact on organization performance and employee commitment. Nowadays many MNC has acknowledge that work-life balance improve employee productivity. Work-life balance had been implemented in many industries such as hospitality, manufacturing, and telecommunication Maxwell (2008) .

Work-life balance is one of the motivation factors to retain valued employee in labor competition. Russell and bowman (2000) pointed out work-life balance (WLB) is an essential field in human resource management that shows positive outcome and attract people such as researchers, government, management, and employee. These people are attracted to the benefits in employee perspective that show responsibility in work and life such as family and friends' relationship in order to promoted employees well-being. As such, when employee will become productive in their work and will improve organization performance.

WLB has been spotlight by HRM due to improve employee retention strategies in organization Cappelli (2000). Some of HR authors argued in order to retain employee organization need to aware of employee needs and provide flexible strategies. According to Cappelli (2000) organization that concern of employee commitment, reduce stress, job satisfaction and increase employee morale will enhance their recruitment and retain talent employee

This research will investigate the work-life balance practices available in organization and examine employee and employers experience in manufacturing industry to understand the challenges factors face by them.

1.2 PROBLEM STATEMENT

In the corporate world, employees that work long hours are considering productive in organization lens. However most employee will feel stress due to workload and external factor such as lack of personal activities and family relationship. When employees work hard in the office the chances to neglect their family and personal activities are high. As such, trigger work-life conflict and workaholic behavior where by employees only focus on work. Furthermore employees have no time for their family and personal activity. In this case, it create the stress in work and unwell-being in workplace.

When employees faced imbalance in their work and life it may affect the employee productivity as well as organization performance. As a result, triggered factor such as increase absenteeism, work conflict, stressful, and unproductive that impact on employee. Moreover there are also other factors that could affect work-life balance practices for instance the culture of the organization that control employees, lack of managerial support, unaware of work-life balance policies and avoid work-life balance policies because it would affect on promotion and increment in salary. All these factors occurred to a country such Australia, UK and US which most of the organization had practiced work-life balance.

A recent survey conducted found that 70% employee prefer WLB over money when picking a job and also found 52% shows that change their job due to find WLB in career. (TheEdge 2013). Many organizations in Europe has practice work-life balance because of social exchange processes, increased cost savings, improved productivity and reduced turnover. The common human resource policies which is Family-friendly that would reduce family and personal conflict

When an individual able to control work and life balance it shows that the employee had succeed the behavior change such as well-being, satisfaction and towards positive direction in work and family roles (Clark, 2000; Clarke et al., 2004; Marks and MacDermid, 1996).

In Singapore the undergraduate also demand the work-life balance in workplace as a recent study conducted to 6000 survey of top motivating factor and the first factor students choose is first work-life balance then following the second job security (The Star Online 2013). Another interesting research on employees on trends in workforce mobility shows (38%) employers expect the employees to be available in 24/7. (66%) employees work even after working hours

and (68%) during the holidays. [Randstad 2013] These also show the weak area of work-life balance practices in Malaysia.

According to Salary Explorer (2013) Malaysia has high work stress as the report shows stress index in Malaysia. The work stress scale from 1 is the worst and 5 is the best. Overall Malaysia rating in stress index is 2.43. The result stress index in Malaysia is moderate and it still needs to be improved. For manufacturing industry the stress index score 2.48 which is also moderate

According to Lockwood (2003) there are three major factors for organization to acknowledge work-life balance firstly global competition, secondly employee interest, personal lives and family, lastly aging worker in labor force. Industry revolution in 21st century change very fast due to the market demand and technology advancement as a result job demand increase and more people needed especially industry that produce a product that have date to meet the market. In this case, work-life balance promotes win-win solution between organization and workers in order to improve overall organization performance

1.3 Research Question
1. What are work-life balance practices available in manufacturing industry?
2. What are the challenges faced by production line employees in work-life balance?
3. What are the employer challenges in providing work-life balance at production department?

1.4 Research Objective
1. To identify work-life balance practices in manufacturing industry
2. To understand the factors faced by production line employees in work-life balance
3. To understand employer in production line experience on providing work-life balance practices
4. To evaluate employee and employer expectation on work-life balance practices
5. To identify factor contribute work-life balance in Malaysia context compare to international context

1.5 Significance of the Study

1. To acknowledge the work-life balance practices in manufacturing industry
2. Contribute knowledge of work-life balance in Manufacturing industry in Malaysia context
3. To acknowledge employee and employer challenges on work-life balance in workplace especially in production line

1.6 Limitations

There are 3 limitations in this study firstly the geographic limitation due to many manufacturing industry that not permit for student to conduct research therefore the industry is limited or only few manufacturing and factory would accept . Secondly total 100 questionnaires from two manufacturing organization may not cover overall work-life balance practices in manufacturing industries for employee and employer in Malaysia. Lastly due to the small saiz of employee in production such as manufacturing A in bangi only allowed researcher to distribute 50 questionnaires.

1.7 Scope of the Study

Geographical focus of the study: This study will be focused on Bangi at Selangor and Batu Berendam at Malacca due to the area where many manufacturing industries

Sample focus: The sample of this study focuses on employees experience in WLB practices in production line and employer experience on providing work-life balance practices in production line

The units of analysis focus of the study: Focus on manufacturing industry in Selangor and Malacca at Malaysia

Manufacturers' background: There are 2 manufactures involved in this study and both are manufacturing industry. As an agreement in consent letter the actual name of manufactures will be unknown and also the person who signed in the letter. Manufacture A is MNC companies that produces and assemble television parts and DVD parts. Total employee in production line is approximately 300. Manufacturing B used to be GLC however this year they have change to

fully private company and also manufacturing industry that produce, design, and assembles parts that related to aviation parts such as Airbus UK.

2.0 Chapter 2 – LITERATURE REVIEW

2.1 Work-life Balance Foundation

WLB start to spotlight when the industrial revolutions change due to high demand in market. According to Solomon (2009) for the past twenty-five years a number of workers increase in many field and work along with information technology resulting competitive work environment. As such, employee has to work long hour in order to become competitive. Work-life balance became acknowledge by public issue for the first time in 1970s when it focuses for healthy life, work and personal time need to be balance and it is important Solomon (2009).

Furthermore Rosbeth Moss Kanter was the first scholar that contributes in work-life balance field. She wrote a seminal article that focus on work and family balance in United stated. The article is "A Critical Review and Agenda for Research and Policy". This inspired researcher and organization an idea to implement work-life program in 1990s Solomon (2009). According to Hogarth and Bosworth (2009) in 1960s and 1970s the concept of work-life balance introduced in the policy which are international competitiveness, equality, flexible labour market, heath and safety at work.

In 1970s shows the turning point in broad factor for instance changes in technology advancement, increase female participation, new structure of organization, international competition and working time for individuals. In 1980 in labor market was introduced flexible pattern of work. The labor supply improved since the introduction of flexible work because it gave opportunity for group of individual to enter the labor market Hogarth and Bosworth (2009). In 1990s, government shows their incentive to employee right for form work-life balance that fits with their job Hogarth and Bosworth (2009).

In 1997 many of regulation had change due to enhance labor market efficiently and work-life balance also helps to promote health and safety. These are the work-life balance regulatory that support by the UK Governments for instance maternity rights, paternity leave, adoptive leave, parents and carer's right to request flexible working and time off for dependants in an emergency Hogarth and Bosworth (2009). There are various time of flexible working for employee needs for example part-time, annualized hours, staggered hours, compressed hours, home working job sharing and flexi-time Hogarth and Bosworth (2009).

2.2 Employee Challenges

2.2.1 Work-life Balance practices

Work-life balance in general term usually explain organizational program to help employee to practice work and non-work environment.

Organization should concern on employee needs to increase passionate and focus on commitment in their job. Work and life balance trigged due to changes in demographic, communication technology, women labor increase, lack time with family, an ageing population, health problem, Workaholic and job control by organization (Beauregard and Henry, 2009)

Many organizations have support work-life balance policies as element to increase employee commitment Grover and Crooker (1995), and able to decrease turnover rate (Dalton and Mesch, 1990). In europen, "family-friendly" policy such as child care for employee has been implemented in many organizations (Pocock, 2005).

Luk and Shaffer, (2005) Moreover work-life balance research to Western country has been limited and Asian context has become new region to realized on work-life balance as reported job stress is high compared to Western country(Perrewe et al., 2002; Welford and Mahtani, 2004) Employee may view work-life balance polices as the organization concern for their well-being (Grover and Crooker, 1995). In addition Work-life balance practices enhance employee flexibility, independently and work productively in the work environment (Cartwright and Cooper, 1997). Work-life balance practices included a broad area for instance work arrangement,

family leave, flexible scheduling, employee and counseling programs (Thomas and Ganster, 1995)

H1: There is positive relationship between work-life balance practices and work-life balance for employee in production line

2.2.2 Job Stress

Stress can be defined as the change of emotional, mental and physical. It occurs in any situations that trigger negative factor such as angry, anxious, and frustrated. In addition it also causes stressor by an existing stress factor. Accoding to Hardie, Kashima, and Pridemore (2005) Stress occurs in intense situation whereby challenging, threatening and demanding.

Stress also affected individual well-being and health. According to John Medina the author of "Brain Rules" chronic stress may creates scar in blood vessel which can cause a heart attack or stroke (Medina 2008). Therefore it can be one of the factors of stress occurred from work.

There are two types of stresses which are physiological stress and psychological stress may occurred in workplace. Physiological stress refer to a symptom that affect the body such as migraine, chest pain, sleep disturbance, abdominal pain, backache and often fatigue mansor et al., (2003). On the other had which is psychological stress is refer to a symptom that affect person emotional such as depression, burnout, anxiety, tension, frustration, and anger Antoniou et al., (2003). All the factors shows that if employees unable to control their stress these can impact on negative result such as low productivity, low satisfaction, poor in quality and health Millward (2005)

Karasek's (1979) D-C model of job stress will be use to understand nature of job stress and work environment. This model is one of the influential frameworks for the researcher of job stress (Butler et al., 2005; Van Yperen and Hagedoorn, 2003). This model focus on two sets of job characteristics which are job control (latitude)/work resources and job demands/work stressors. (Chiang and Birthc, 2010)

The Demand and control model show hypothesizes when job demands and control connected such as High strain meaning high demand and low control which has been classify high level of job stress (Karasek and Theorell, 1990). Furthermore high stain job for example factory worker

and telephone operator show that environments are not match with the level of control. (Karasek and Theorell, 1990) This also shows when high demanding jobs produce stress on individuals.

On the other hand, when job control and job demand high it not really shows stress result. This because individual reach its level as challengers and able to cope in their work as individual competence (Fernet et al., 2004). Employee that perceived control in their work environment feels more positive and committed. The control over job demand may reduce stress and feeling well-being Ryan and Deci (2001). According to another study pointed out stress can be enhance by employees who take greater control over their responsibility in their work and this contribute to reducing stress Brymer et al.'s (1991). High level of stress in workplace can cause organization into problem such as high turnover rate, low productivity and high absenteeism, also lead to employee problem for instance ill-being, drug and alcohol (Jamal, 2005; Mostert, Rothmann, Mostert, & Nell, 2008)

H2: There is positive relationship between employee job stress and work-life balance for employee in production line

2.3 Employer Challenges

2.3.1 Organization Policies
Work-life conflict may affect organization businesses. The problem arise from labor unhappiness (Bruck et al., 2002; Kossek and Ozeki, 1998), low commitment and output (Kossek and Osseki, 1999; Berg et al., 2003) such as high absenteeism and late to work,(Boyar et al., 2005; Hammer et al., 2003), also increase turnover rate Balmforth and Gardner (2006). All these factors have relationship with work-life conflict

According to Baltes et al (1999) HR policies has put their effort to improve work-life conflict that shows positive sign such as improve employee commitment, reduce absenteeism rate and enhance late to work. Moreover work-life policies has become important in recruitment and retention Johnson (1995). This also helps to retain talent employee in organization and attract more people to work in the organization by supporting WLB policies. Williams and Boushey (2010) pointed out on their report 95% of working fathers and 90% of working mothers experience work-life conflict. In my research, many article mentioned managerial support or manager and supervisor are the most important to support WLB policies for employee because it