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Work- Life Balance and Retention of Professionals: The Mediating Role of Employee Engagement

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Abstract

The uncertain and explosive environment of emerging time could be chased over unremitting strategies and innovation, which can be only unrelenting by dedicated and competent work force. Work-life balance (WLB) is recognized as the prime measures for retaining and attracting the executives required for facing intensive competition and global diversification of organization. Extant literature has explored the role of employee engagement for developing the perception level of work life balance. The research covers the disparity by examining the mediational role of employee engagement (EE) in the alliance between work-life balance (WLB) and retention of professionals (RP) by using the data from 283 executives from IT industries in India. The justification of hypothesized model illuminates that EE partially mediates relationship among WLB and RP. It insists the propositions of employee engagement can used as cerebral domain of the employee and amplify the level of perceived WLB. Moreover organization adopt the policy of employee engagement, the executives may reciprocate the same being committed and dedicated. This indulgence of triadic and synergetic coalition may emerge as a strategy of win-win of Industry.

Keywords: Confirmatory factor analysis, Descriptive statistics, Mediation

1. Introduction

The upswing globalization boosts the IT industries into an aeon of flux that demands the productivity and efficiency level of managers which is unequivocally agreed by them. The unconventional strategies adopted by Indian firms for facing intensive competition and global diversification where executives are grappling with the challenges to succeed. So Indian IT industry distressed by changes in intense pressure, constant deadlines and amplified technology, which pushed towards the high attrition rate, little satisfaction, wellness paradigms and stressful nature of the job (Shankar and Bhatnagar, 2010). So the theme of WLB emerged just as major theme during the last two decades, which precincts from the content and context of job and family as well. WLB grasps as a multidimensional paradigm covers the social, physical, environmental and psychological magnitudes of an employee and capability to meet family and work commitments, with other non-work responsibilities and activities (Delecta *et al.*, 2011). Additionally organizations have given emphasis on the aspect of the work of the employees

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and inspire the positive behavior and attitudes through role identity, self-esteem and self-growth of the work place.

2. Relevance and Scope of the Study

Over the late decade, WLB has obtained utmost prominence as demand of hour calls for a comprehensive tumult on throbbing vulnerabilities that are not restricted to occupational stress, succumbs to work pressure and amicable workplace hazards, incongruities on health nuances (illness, stress, and cardiac arrests) are quite inherently juxtaposed. Concomitantly, the aftermath behind these vagaries had led to IT professionals' exhibit low morale, commitment and involvement in performing assigned tasks. Consistent with this spat, IT and ITES based entities have bolstered huge chunks of employment opportunities to attract a massive talent pool and viciously contribute to the nation's gross domestic product substantially. Intuitively, this profession has vandalized various sections of the society to delve riches both in terms of pay, performance, rewards, and promotions as recognized by women and young professionals to overcome regional indifferences. Considered collectively, the ordained role of professionals requires a holistic overview in terms of both personality (household life) and professional lifestyles. Research targets software industries in India to interface clear pictures of latent relationship among work life balance, employee engagement and employee retention among IT executives.

3. Objective of the Study

The proposed research focused on the degree of employee engagement which can determine the relationship among work life balance and retention of professionals. The research is carried out with the following objectives:

- To extrapolate the different drivers of work life balance towards retention of the professionals.
- To find out the relationship in between work life balance and retention of professionals while employee engagement acts as mediator.

4. Theoretical Background and Hypotheses

4.1 Work- Life Balance

WLB is a multidimensional paradigm which is a process to which person can simultaneously manage the behavioral, emotional and interval demands of both professional, personal and family liabilities (Hill *et al.*, 2001). The role of WLB has examined with organizational intervention and job outcomes where it has discussed with health and wellness policies, flexible work patterns including scheduling arrival and departure time flexibility in selecting the place of work (Papalexandris and Kramar, 1997; Baral and Bhargava, 2010). IT professionals may smoothly manage the job involvements and working conditions by the appropriate means of training and development, and teamwork and communications including mutual trust and confidence (Kalisch *et al.*, 2007; Buddeberg *et al.*, 2008). The financial and nonfinancial rewards like career development, recognition as excellent employees, decision making role etc. may develop the degree of employee empowerment which largely drives the level of job satisfaction and employee commitment that ensures better work life balance (Cook and Jing, 2009).

4.2 Employee Engagement

The theme of employee engagement appeared as new concept for HRM (Ellis and Sorensen, 2007) and defines an affirmative attitude apprehended by professionals towards its value and organization (Robinson *et al.*, 2004). Development Directional International (2005) stated that, 'EE is a degree to which individual enjoy, value and believe in what they possess'. The professionals are having five things like empowerment, promoting and encouraging motivation,

helping others to growth, strategy, support and recognition (DDI, 2005). However EE may be the outcome of organizational context, HR practices and Personal attributes (Markos and Sridevi, 2010).

4.3 Retention of Professionals

Employee retention is a major issues in IT sector which defines the overall strategy and ability of the organization to retain the high performer employees and maintain low turnover .Organization may adopt retention programmes to manage this problem (McEvoy and Cascio, 1985). Mak and Scockel (2001) identified that organization can adopt career development polices orienting with need and requirement of employees to manage the retention rates. In the views of them, retention can be manifested by three ways like burn-out, loyalty and turnover (Mak and Scockel, 2001).

4.4 Work Life Balance and Retention of Professionals

In this highly competitive scenario, organistaions and societies are occupied with conflicting situation in case of commitment and responsibilities where WLB is major concern which enlarges personal life and work responsibilities by aging the work force (Lockwood, 2003). The professionals those are availing work life programmes and polices strongly believe towards stick to the particular organisations (Landaur, 1997). WLB programs may have the probability ominously increase employee morale, reduced absenteeism and retain work force (Kanwar *et al.*, 2009). WLB may develop the level of motivation, satisfaction and retention of a talented workforce have been made on the basis of unreliable and observed evidence (Pocock, 2005). Hence it can be postulated that:

H₁: Organizational emphasis on work life balance will have a significant impact on retention of the professionals in the information technology sector.

4.5 Work Life Balance and Employee Engagement

Work life balance is an individual capability to meet the work as well as family commitments with other non-work activities and responsibilities (Langford and Parkes, 2008). Organization focused on individual employee by improving WLB that concentrating on programs that could enrich the personal goal as well as work. It contributes significantly with employee engagement that in long run contributes high productivity by the means of Job satisfaction and employee commitment and low organizational turnover (Thorthwaite, 2004; Grawitch *et al.*, 2006). Moreover WLB has constructive impact on EE, it may break or make business bottom line (Lookwood, 2003) by attaining the organizational performance through intangible and incorporeal way that absorbed on flexibility, innovation and autonomy and managers must need to engage their employees. Further engaging employees by providing freedom, loyalty, trust and participation will influence and reach the degree of self-actualization and self-realization the employees. The hypothetical proclamation can be derived on the basis of above discussion as:

H₂: Work life balance will have a positive relationship with the engagement of the information technology professionals.

4.6 Employee Engagement and Retention of Professionals

Empirical studies found that employee engagement plays vital role in developing and maintaining to employee retention to the organizational outcomes (Havener, 1999). It simplifies individuals with attention, initiatives and resiliency towards their basic prerequisites for the requirement of the job as well as family. Furthermore it bestows employees with growth, oppertunities, participation and challenges which reciprocate the loyalty and involvement of the employees (Avolio *et al.*, 2004). As a consequence, engaging the employees through loyalty, participation

and involvement will increase the level of job satisfaction and obligation among employees; it can be a mean to motivate and retain the professionals in it sector (Langford and Parkes, 2008). Based on theoretical argumentation, it can be anticipated as:

H₃: Employee engagement will act as a significant predictor of the retention of the information technology professionals.

The above literature review clearly illustrates that there is great deal of research discovering the relationship among any of the study variables (employee engagement, work life balance and employee retention). There are limited studies discerning the mediating effect of employee engagement (Lasinger and Leiter, 2006; Salanova *et al.*, 2010). But no studies witnessed EE as a mediator in among the association of work life balance and retention of professionals. The study has made an attempt to validate the mediating role of employee engagement in the relationship between work life balance and retention of professionals. Therefore, we propose the following hypothesis:

H₄: Employee Engagement will mediate the relationship in between work life balance and retention of professionals.

The hypothesized research model is developed on the basis of the outcomes of the several research studies taken form the existing literature and reflect the possible relationship among the study variables (Figure 1).

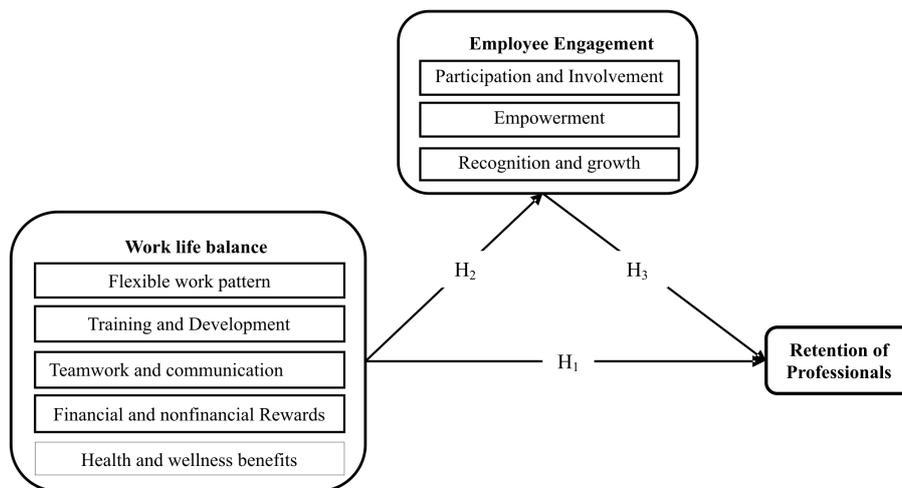


Figure 1: Hypothesized Research Model

5. Methodology

5.1 Sample, Participants and Measure

The study has followed by descriptive research design. Stratified and random sampling has used to collect the data from three IT industries located in the major Indian cities like Hyderabad and Jamshedpur by targeting lower and middle level executives. A total of 370 self-administered questionnaires were circulated and 288 complete responses obtained yielding to an active response of 77.83 percent. The study establishes of 43.5% of male and 56.5% of female. Most of the respondents are aged between 20-30 years (49.8%) followed by 31-40 years (33.1%), 41-

50 years (13.5%) and 51-60 years (3.4%). There are 14 items included to measure work life balance (Aryee, 2005; Sculeen *et al.*, 2003); 12 items for employee engagement (Harter, 2005; Rubin *et al.*, 2005), and A 10 items for retention of professionals (Kim *et al.*, 2009) with five-point Likert-type scale.

5.2 Data Analysis

Different statistical techniques has deployed for analyzing the data like descriptive statistics, Pearson’s correlation, exploratory factor analysis (EFA), confirmatory factor analysis (CFA) and mediational analysis (Baron and Kenny,1986) by using SPSS version 20 and AMOS 20. A parcel has been generated among the study variables through EFA (from extracted factors) to increase the ratio of the sample size to estimated parameters in the confirmatory factor analysis. SEM (Structural equation modelling) has used to explore composite reliability, convergent validity, and discriminant validity for examining the construct validity and the mediating effect of EE between WLB and RP in the hypothesized model.

6. Results and Discussions

6.1 Preliminary Analysis

The Table 1 specified below elucidates the mean, standard deviations, Cronbach alpha, and correlation among the study variables which proved the statistically significant and positive relationships among the variables. Cronbach alpha verified high internal consistencies and reliabilities of data ranging from .77 to .84.

Table 1: Means, SDs, Reliability and Pearson Correlation Coefficients

<i>Measures</i>	<i>Mean</i>	<i>SD</i>	<i>α</i>	<i>WLB</i>	<i>EC</i>	<i>OE</i>
Work life balance (WLB)	4.13	1.26	.778	1		
Employee Engagement (EE)	2.27	.92	.808	.548**	1	
Retention of Professionals(RP)	2.23	.78	.843	.435**	.487**	1

Notes : ** Correlation is significant at the 0.01 level (two tailed)

EFA has conducted to find out the relevant and underlying factor through principal component analysis and varimax rotation where KMO (Kaiser-Meyer-Olkin) is .845 (adequacy and appropriateness of sample) and communalities has ranged in between 53 to 84. In case of WLB, Financial and non-financial rewards (19.05) and in EE, Recognition and growth explained greater variance, (23.24) as compared to others.

Table 2: Factor Loading after Varimax Rotation of Variables

Rotated component MatrixComponents			
	1	2	3
WLB1	.868		
WLB2	.858		
WLB3	.852		
WLB4	.830		
WLB5	.835		
RP3		.866	
RP2		.865	
RP1		.828	
RP4		.812	
RP5		.739	
EE3			.871
EE4			.851
EE5			.791
EE2			.782
EE1			.764

6.2 Testing the Measurement Model

The research explored CFA of measurement and replicated a simple structure where each indicator has one path of latent construct and accepted to correlate among them. The data has well fitted with three factor model. ($\chi^2/df = 2.410$; RMSEA = .053, NFI=.921, IFI=.95, TLI=.941, CFI=.947). There has spastically significant of data loading of all measurement item, displayed in Table 3. The value of composite reliability of each construct varied in among 0.81 and 0.86 confirming its unidimensionality. Discriminant validity has proved when AVE (average variance extracted) of all measures are higher than consisting inter-construct squared relations that greater than corresponding inter-construct squared correlation illustrated in Table 4. It has been concluded the outcome of CFA has the estimation of reliability and measurement model has sound indication in psychometric properties.

Table 3: Properties of Measurement Model

Constructs	Parcel Indicators	Standardized Estimates	AVE	CR	p value
Work life balance	Flexible work pattern	.876	.768	.943	.000
	Teamwork and communication	.743			.000
	Health and wellness Benefits	.765			.000
	Financial and nonfinancial rewards	.891			.000
Employee Engagement	Recognition and growth	.843	.778	.871	.000
	Empowerment	.762			.000
	Participation and Job Involvement	.854			.000
Retention of professionals		.835	.679	.822	.000

Table 4: Discriminant Validity

	WLB	EE	RP
WLB	.854		
EE	.654	.789	
RP	.643	.578	.813

6.3 Validation of the Structural Model

Moreover we have verified the suitability and fit of the structural model that denoted from hypothesized mediation model in Figure 1. The fit indexes of all the models specifies that the data has been fitted well as explained in previous paragraph. In this hypothesized model, WLB has direct influence on RP and also has an effect through the mediator, EE.

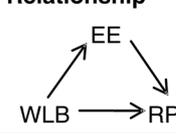
Table 5: Inferences Drawn on Hypothesis

Hypotheses	Relationship	Beta Coefficients	p Value	Result
H1	WLB → EE	.613	***	Accepted
H2	EE → RP	.572	***	Accepted
H3	WLB → RP	.476	***	Accepted

6.4 Mediation Effect

The path estimates among all the latent constructs illustrates all are having the significant relationship among them, discussed in Table 2. Further data analysed through SEM to find out the direct and indirect effects between WLB, RP and EE in the mediated model (Table 6). Result has confirmed with the output displayed in table specified below where we find that direct effect is generous (0.243) while indirect effect is high (.441) is also significant, additionally confirming and validating partial mediation model. Figure 2 exhibited the overall structural model with path coefficients of mediating relationship of EE among WLB and RP. From the above discussion, it has concluded that the hypothesis (H4) has also supported.

Table 6: Results of Mediation Relationships

Relationships	Relationship	p Value
		
Total effects	.684	***
Direct Effects	.243	***
Indirect effects	.441	***
Test of mediation	Partial	

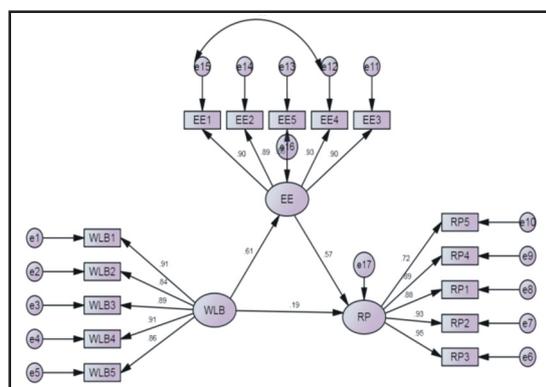


Figure 2: Structural Model of Mediation

7. Managerial Implication

The research presents a triadic relationship among work life balance, employee engagement and employee retention. The study recommends the fabrication of empowering executives by encouraging employee engagement, which expedites the competencies with potential to handle both work role and family role. The study acknowledged the flexible work pattern (like compressed work week, flexi time, work from home), team work and communication, and health and wellness benefits (like yoga, meditation, suitable aerobics programs and work life balance polices), and financial and non-financial rewards (like recognition, rewards, praise, and autonomy) can develop the cognitive domain of employees, assist to produce happy and productive executives. High turnover and intentions to stay in particular organization is a major issue in IT industry, where the study provides theoretical framework for forecasting and employing work-life balance with mediating role of employee engagement in these industries, so that employees may reciprocate by being more committed, loyal and dedicated towards organizations. This lenience in a synergetic coalition will emerge as a win-win strategy altogether. The outcome of the study may also instructs IT managers, practioners and administrators to plan and develop appropriate strategies and design the mechanism to create their working lives more creative, meaningful and value driven.

8. Conclusions

The present research reiterates the positive interaction among work life balance and employee engagement; develop a new paradigm towards collaboration, flexibility, synergy and partnerships among the profesionlas. Additionally employee engagement can preserve executives engrossed, focused and support them to endeavor efficiently concerning organization's vision. When EE is united with work life balance, it will influence on organizational performance as well as attitude of executives. As the outcomes, executives will be committed and motivated in mind, body and spirit to resist the task challenges, pressure, and situations ripen into new life sessions and consent to develop as victors. The study develops by entrenching high standard of practice and WLB initiatives with in the intentional and strategic plan at the governance and organizational levels.

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