

# **The Impact of Work Life Balance on Employees' Work Performance: Special Reference to Insurance Companies Operating in the Kilinochchi District**

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## **Abstract**

This study aims to identify the relationship between work life balance and employees' work performance with special reference to insurance companies in Kilinochchi District. This research is carried out to identify relationship between work life balance and employee work performance with the use of questionnaire and other secondary source by analyzing reliability test, univariate and bivariate analysis. The result suggested that there is a positive relationship between work life balance and employees' work performance. The result of correlation analysis between the work life balance and employees' work performance indicates that there is a strong positive correlation between work life balance and employees' work performance with the  $r$  value of 0.538. According to the simple regression analysis, when the work life balance increases the employees' work performance also increases in the insurance companies. Further, when the organization considers the improvement in the work life balance, it will lead to maintain high level employees' work performance in the insurance companies.

**Keywords:** Employees' Work Performance, Work Life Balance.

## **Introduction**

Nowadays, human resources are considered as an important resource. Organization cannot achieve competitive advantage and their objectives without effective human resource. This resource should be handled properly. Therefore, survival of human resource is a vital part in any organization. This can be achieved by managing human resource effectively. Several researches stated that commitment and involvement of employees depend on their performance. So, the organization can enjoy business success through highly performed work force. More practices of the human resource management focuses on increasing employee performance through the employee's satisfaction by implementing various human resource functions such as employee motivation, compensation management, human relation, work life balance practices and so on (Dissanayaka and Hussain Ali, 2013).

Opatha (2002) indicated how well an employee performs task, duties and responsibilities of his or her job. Velnampy (2006) explained that performance is a function of two variables-capacities for work (C) and will to work. i.e., Motivation (M). Employee performance is task and contextual behavior of employees. When employees work balance between work life and family life is expected.

Work- life balance is a broad concept that encompasses prioritizing between work (including career and ambition) on one hand, and life (including areas such as health, leisure, family, pleasure and spiritual development) on the other. There are also two key concepts related to work life balance achievement and enjoyment. Achievement can be related to setting and achieving the goals that people have in life i.e. buying a new house, job satisfaction, further education etc. Enjoyment is related not just to happiness, but also pride, satisfaction, celebration, love, and a sense of wellbeing. Life will often deliver the value and balance people desire when people are achieving and enjoying something every day in all the important areas of our lives ([www.ozhelp.org.au](http://www.ozhelp.org.au)) (May 10<sup>th</sup>, 2015).

Work- life balance is an important old concept. There are lots of researches in foreign context but a few research in the Sri Lankan context. Today, work life balance practices are critical important because, work life balance has become a subject matter of concern to scholars as well as business leaders because of the contemporary demographic, technological, environmental change and changes in the individual's expectations and aspirations (Baral and Bhargava, 2010). Work life balance has implication for employee attitudes, behaviors, wellbeing as well as organizational effectiveness (Eby, et, al, 2005). Therefore, work-life balance is very important to every employees in any organization. The large number of employees are working in the insurance companies in Kilinochchi District. Several insurance companies belong to public or private sector in Sri Lanka.

Work life is a term used to describe the integration of work and personal life responsibilities. Work life is the practice of providing initiatives designed to create a more flexible, supportive work environment, enabling employees to focus on work tasks while at work. It includes making the culture more supportive, adding programs to meet life event needs, ensuring that policies give employees as much control as possible over their lives, and using flexible work practices as a strategy to meet the dual agenda – the needs of both business and employees. (Eichler and Matthews, 2004) Work life balance is most frequently used to describe the equilibrium between responsibilities at work and responsibilities outside paid work; having a work- life balance means that this equilibrium is in the right position for the individual concerned (Dissanayaka and Hussain Ali, 2013). Thus, this study focuses to study the impact of work life balance on employees' work performance.

## **Problem Statement**

To find what extent are the employee work life balance affecting the employees' work performance in the insurance companies operating in the Kilinochchi district, the study consider the following research problem as “ Whether the work life balance impact on employees' work performance in the insurance companies operating in Kilinochchi District”?

## **Research Questions**

1. Is there any relationship between work life balance and employees' work performance in insurance companies?
2. Does work life balance influence on the employees' work performance?

## Objectives of the Study

Base on the title and subject of the present research relationship between work life balance and employees' work performance special reference to insurance companies in Kilinochchi district. The following objectives are to be derived.

- To identify the relationship between work life balance and employees' work performance in the insurance companies operating in the Kilinochchi district.
- To identify the employees' level of satisfaction with work life balance in the insurance companies operating in the Kilinochchi district.
- To find out the level of employees' work performance in the insurance companies operating in the Kilinochchi district.

## Literature Review

Work and Family are two important aspects of an individual's life. Changes in the workplace and employees demographic have driven the attention of many researchers toward the boundary between work and family life of employees. The main purpose behind conducting the study is to investigate the relationship of work life balance and employees' work performance in insurance company employees. Work life balance is an important topic of discussion in the business world. Managing work with family is an important issue as it has decisive challenges for organizations, employees and researchers. Dissanayaka and Hussain Ali (2013) showed that significant and positive relationship between work-life balance and employees' performance. The researchers stated that improvement in practices of work life balance for apparel industry employees will bring results in improved employee performance.

According to Baral and Bhargava (2010), work- life balance are critical important because, work life balance has become a subject matter of concern to scholars as well as business leaders. Because of the contemporary demographic, technological environment changes in the individual expectations and aspirations work- life balance has implication for employee attitudes, behaviors, wellbeing as well as organizational effectiveness. Work-life balance is very important to every employee in organizations.

According to Hartel (2007), organizations can implement various work-life balance initiatives that may assist employees to better balance their work and family responsibilities, gain improvements in well-being and provide organizational benefits. There are a large variety of family friendly policies which include but are not limited to the following: flexible working hours, job sharing, part-time work, compressed work weeks, parental leave, telecommuting, and on-site child care facility. Employers may provide a range of benefits related to employees' health and well-being, including extended health insurance for the employee and dependents, personal days, and access to programs or services to encourage fitness and physical and mental health. Still, other practices may support children's education, employees' participation in volunteer work, or facilitate phased retirement. But, it can be viewed as supporting employees' work performance, well-being, and work-life balance.

There are some motives for applying work-life balance practices in organizations to increase participation of female personnel and make use of their capacities, to keep employee motivated and well performing, to make the organization more attractive to employees, to have a better corporate social responsibility (Lazar, Osoian and Rațiu 2010).

In the view of (Eby et al, 2005), the majority of studies investigating the outcomes of work-life balance does not measure work-life conflict, and thus cannot support this

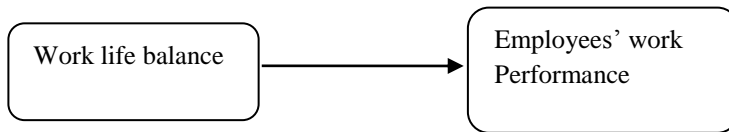
proposed mediated relationship. Allen (2001), indicate that the mechanisms by which the provision of work-life balance affects both employee behavior and organizational performance remain unclear, and under-researched.

According to Warhurst, Eikhof, and Haunschild, (2008), the relationship between work and family life termed as work life balance has become an important topic of discussion for current government, practitioners and academics. The concept of work life balance and the issue of managing workplace needs with personal life needs is gaining importance among workers all over the world; therefore, it is a debatable topic in the current scenario.

## Methodology

There are nine insurance companies operating in Kilinochchi district, for this study the researchers selected five company branches only. This research applied quantitative methodology, for this study out of 212 employees, 120 employees were randomly selected to collect data for the purpose of convenient. A total of 120 responses were received, for a response rate of 100%. Data were analyzed using the software SPSS version 16.0. The data analysis included the reliability test, univariate (descriptive) analysis, and bivariate analysis (correlation and simple regression analysis).

## Conceptual Framework



**Figure 1.** The research model

Based on the above conceptual framework, it is hypothesized as “There is a positive relationship between work life balance and employees’ work performance”.

## Method of Data Analysis and Evaluation

Univariate analysis is carried out for evaluating the attributes of variables individually based on the response in the questionnaires. For this purpose, mean values and standard deviation of the variables are taken into consideration. Bivariate analysis is focused to examine the relationship of the independent variable with dependent variable. The Pearson coefficient of correlation ( $r$ ) was used to find the relationship between the independent and dependent variable. The following decision rules were considered. Decision rule for univariate Analysis

<b>Range</b>	<b>Decision</b>
$1 \leq X_i \leq 2.5$	Low level
$2.5 < X_i \leq 3.5$	Moderate level
$3.5 < X_i \leq 5.0$	High level

Where;  $X_i$  is the mean value

## Decision rule for Bivariate (Correlation) Analysis

**Range**

r = 0.1 to 0.29 or r = -0.10 to -0.29

r = 0.3 to 0.49 or r = -0.3 to -0.49

r = 0.5 to 1.00 or r = -0.5 to -1.0

(Source: Literature review)

**Decision**

Low level

Moderate level

High level

**Results and Discussion**

The results of descriptive analysis indicated that the employees' work performance in insurance companies, in Kilinochchi district is High level (mean value 3.6933 with standard deviation .40606), and the independent variable work life balance is high level (mean value 3.9571 with standard deviation .29036). According to the findings, the work life balance is high level and have significant impact in deciding the employees' performance in their work.

**Table 1.** The result of univariate analysis

Description	Independent Variable	Dependent Variable
	Work life Balance	Employee's work Performance
Mean	3.6933	3.9571
Standard deviation	.40606	.29036
Influencing level	High level	High level

Source: Survey Data, 2015

**Table 2.** Relationship between Work-life balance and Employees' Job Performance

	Work life balance
Employee's Job Performance	0.538**

\*\*p&lt;0.01 Correlation is significant at the 0.01 level

Source: Survey Data, 2015

According to the above table, a high level, positive and significant relationship ( $r = 0.538$ ,  $p < 0.01$ ) is observed between work- life balance and employees' work performance.

**Table 3.** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.538 <sup>a</sup>	.289	.283	.24588

Source: Survey Data, 2015

**Table 4.** Result of the Simple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.537	.206		12.303	.000
	Work life balance	.384	.056	.538	6.925	.000

Source: Survey Data, 2015

This result also suggested that 28% of the variance is explained by work life balance on employees' work performance ( $r^2 = 0.289$ ) of the insurance companies in the Kilinochchi district. These findings are consistent with prior research (Dissanayaka and Hussain Ali, 2013).

According to above results the alternative hypothesis was accepted and the null hypothesis was rejected.

## Conclusion and Recommendations

The result of the analysis is about the work life balance and employees' work performance. There is a higher relationship between work life balance and employees' work performance  $r = 0.538$ . When the work life balance increases the employees' work performance is increases in the insurance companies, and the  $R^2$  is 0.289. Hence 28.9% variation of employees' work performance is explained by work life balance. It is more likely that an improvement of the quality of work- life balance of insurance company in Kilinochchi district.

According to the analysis and findings of this research, study revealed that work- life balance of the employees of the insurance companies of Kilinochchi district has impact on their employees' work performance.

The most important is to introduce quality work life balance policy scheme to improve the employees' work performance. Further, the company can implement some other strategies in order to improve the work life balance in insurance company in Kilinochchi district. Company can consider on-site child care facility, employees' health and well-being including extended health insurance for the employee and dependents, personal days, and access to programs or services to encourage fitness and physical and mental health, support children's education, employees' participation in volunteer work, or facilitate phased retirement, and rewarding employees' performance. Employees' work performance is evaluated based on the work life balance. But, there are many factors have impact on employees' work performance.

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