SUPERVISOR VERIFICATION

I / We* hereby declare that have read this work and in

My / our* view this work is sufficient in terms of scope and quality for the award of

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WORK LIFE BALANCE RELATION WITH EMPLOYEES SATISFACTION: EVIDENCE IN MALAYSIA HIGHER EDUCATION INSTITUTION

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DECLARATION

"I admit that this report is the result of my own work except summary and each of them that I have explained the sources"

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Date : 24 June 2014

DEDICATION

I would like to dedicate the appreciation for my beloved families, lecturers and friends.

ACKNOWLEDGEMENT

First of all, I am grateful to The Almighty God for establishing me to complete this research. Without His consent, I would never complete my final year project.

Secondly, I would like to express my sincere gratitude to my supervisor, Dr. Imam Sentot Wahjono, who guided and supported me throughout my final year project. Without his advice and motivation this project paper would not been completed successfully.

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ABSTRACT

The aim of the study is to identify the relation between work life balance and employee satisfaction at one of the Malaysia Higher Education Institution. In this, the work life balance elements or the independent variables consists of flexible working schedule, pay for time not worked, security and health benefits, family-friendly policies, and employee wellness program. Firstly the researcher will identify whether work life balance elements partially in relation with employee satisfaction. Second, the study will identify whether work life balance in simultaneously in relation with employee satisfaction. Thirdly, the scope is to recognize either family-friendly policy in relation with work life balance and employee satisfaction. The research method used to conduct the study is by quantitative approach where sample of 108 questionnaires was distributed to non-academic staffs at INTI Instruments (M) Sdn Bhd. In findings of this research, all the independent variables was analyzed using Pearson Correlation simple regression and found that all the variables are significant and has influence employee satisfaction. Besides that, multiple regression was used to identify the dominant factor and found that employee wellness program act as dominant factor that contributes to work life balance and employee satisfaction. Finally, researcher suggests ways to use work life balance in the organization to enhance employee's satisfaction. Implementation of work life balance culture in any organization could give's a positive impact on both employee and employers.

Keywords: Work life balance, Employee Satisfaction

ABSTRAK

Tujuan kajian ini adalah untuk mengenal pasti hubungan antara keseimbangan kerja dan hidup dan kepuasan pekerja di salah satu Institusi Pengajian Tinggi di Malaysia. Elemen keseimbangan kerja dan hidup atau pembolehubah bebas dalam kajian ini terdiri daripada jadual kerja fleksibel, membayar masa tidak bekerja, keselamatan dan faedah kesihatan, dasar-dasar mesra keluarga, dan program kesihatan pekerja. Pada mulanya, penyelidik akan mengenal pasti sama ada elemen keseimbangan kerja dan hidup sebahagiannya dalam hubungan dengan kepuasan pekerja. Kedua, kajian akan mengenal pasti sama ada keseimbangan kerja dan hidup adalah serentak dalam hubungan dengan kepuasan pekerja. Ketiga, skop adalah untuk mengenali sama ada dasar mesra keluarga dalam hubungan dengan keseimbangan kerja dan hidup dan kepuasan pekerja. Kaedah penyelidikan yang digunakan untuk melaksanakan kajian ini adalah dengan pendekatan kuantitatif di mana sampel sebanyak 108 soal selidik diagihkan kepada pekerja-pekerja bukan akademik di INTI Instruments (M) Sdn Bhd. Dalam hasil penyelidikan ini, semua pembolehubah bebas dianalisis menggunakan Pearson Correlation regresi mudah dan mendapati semua pembolehubah penting dan mempunyai kepuasan pekerja. Selain itu, regresi berganda digunakan untuk mengenal pasti faktor dominan dan mendapati program kesihatan pekerja sebagai faktor dominan yang menyumbang kepada keseimbangan kerja dan hidup dan kepuasan pekerja. Akhirya, penyelidik mencadangkan cara-cara untuk menggunakan keseimbangan kerja dan hidup dalam institusi tersebut untuk meningkatkan kepuasan pekerja. Pelaksanaan budaya keseimbangan kerja dan hidup dalam mana-mana organisasi boleh memberi kesan positif terhadap kedua-dua pihak iaitu pekerja dan majikan.

Kata Kunci: Keseimbangan kerja dan hidup, Kepuasan Pekerja

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CHAPTER 1

INTRODUCTION

The first chapter describes the background of the study on what the research is all about, the research questions and research objective. Besides that, it also addresses the scope and limitation of the study as well as the significant of the study for everyone. The topic of the research is about work life balance that relates with employees satisfaction in higher education institution. Basically work life balance is the time management process of an employee between their work, family and daily life. The major scope of the research is to know the relation of work life balance partially and simultaneously to employee satisfaction in their work place. Moreover, the research also conducted to examine either family friendly policy are the dominant factor that in relation with work life balance and employee satisfaction. In this, the research will identify how well the benefits of the organization contribute to the work life balance and at the same time improve the employees' satisfaction at work place. The benefits can be indicate as the elements of work life balance which are flexible working schedule, pay for time not worked, security and health benefits, family-friendly policies and employee wellness program. Based from the result of the study, researcher will be suggesting on how the organization can use work life balance to improve employee satisfaction. This research focuses only non-academic staffs in higher education institution.

1.1 Background of the study

Work life balance are about forming and maintain supportive and healthy work environments, which will enable employees to have balance life between personal responsibilities and work. In other words, work life balance is a concept that supports the efforts of employees to split their time and energy between work and the other important aspects of their lives. It is also a daily effort to make time for family, friends, community participation, spirituality, personal growth, self-care and other personal activities. According to a major Canadian study conducted by Lowe (2005), 1 in 4 employees undergo high level of conflict between work and family, based on work-to-family interference and caregiver strain. Today workers have many competing responsibilities such as work, children, housework, volunteering, spouse and elderly parent care. This gives stress on individuals, families and the communities in which they live. Work life conflict is a serious problem that impacts workers, their employers and the communities. In reality most of the employees are facing problems in managing the work and their other personal responsibilities. Therefore, work life balance benefits will be able to minimize the stress and contribute to employee's satisfaction.

Employers play a crucial part to employees seeking work life balance. If an organization wants to achieve its goal, they have the responsibility of making sure employees satisfaction. In view of this many organization are now considering the possibility of establishing more work life balance policies and practices in order to make their work comfortable. According to the research conducted by the Corporate Executive Board (2004) among more than 50,000 global workers, work-life balance ranks as the second most important workplace attribute beside compensation. The study also says that employees who feel they have a better work life balance tend to work 21 percent harder than those that don't. Work/life balance policies and practices can improve the 'employee experience' and hence help organization to retain staff (Hudson, 2005).

Moreover work life balance is also assisted by employers who establish policies, procedure, actions, and expectations that enable employees to easily pursue more balanced lives. In this employer can assist employees to experience work life balance by offering opportunities as flexible work schedules, pay for time not worked, security and insurance benefits, family-friendly policies and employee wellness programs. It is one of the ways to concern about the employee and their satisfaction. The activity of work life balance could reduce the employees stress during working hours. When an employee spend the majority of their days on work related activities and feel as they are ignoring the other important responsible of their life, stress and unhappiness is the result.

In this study, the work life balance indicates few elements partially such as flexible working schedule, pay for time not worked, security and insurance benefits, family-friendly policies, and employee wellness program. The study of this research is to know the whether work life balance elements are partially in relation with employee satisfaction. As an overall the study identify the relationship between work life balance and employee satisfaction. Furthermore, the research also will be identifying either family-friendly policies are the dominant factor that contributes to work life and employee satisfaction. Based from the findings, the researcher will give suggestion on how the organization can improve their employee satisfaction.

1.2 Research Question

The findings of the research is to examine whether work life balance elements which are flexible working schedule, pay for time not worked, security and health benefits, family-friendly policies and employee wellness program partially in relation with employee satisfaction. Besides that, it's also to examine whether work life balance simultaneously in relation with employee satisfaction. Moreover, the study is also to know either family-friendly policies are the dominant factor which contributes to work life balance and employee satisfaction. Based from the findings, the researcher will

suggest on how the organization can improve employees satisfaction. Some of the questions to be addressed in the research include the following:

- How far work life balance in relation with employee satisfaction?
- Is family-friendly policies are the dominant factor that contributes to work life balance and employees satisfaction?
- How organization can use work life balance to improve employee satisfaction?

1.3 Research Objective

The general objectives of the research are outlined below:

- To identify the relationship between work life balance and employees satisfaction.
- To know either family-friendly policies are the dominant factor that contributes to work life balance and employees satisfaction.
- To give suggestion on how the organization can use work life balance to improve employees satisfaction.

1.4 Scope and Limitations of the Study

The scope of the study is to know the relation of work life balance with employee's satisfaction in their work place. This research will be conducted in a Higher Education Institution which is INTI International University and Colleges. It was established as one of the famous private university and they have few branches in Malaysia including Indonesia. The focus of my research will be at one of the branch which is INTI Instruments (M) Sdn Bhd located at Subang Jaya Selangor. Moreover, the respondent for my study will be only non-academic staffs in INTI Instruments (M) Sdn Bhd.

1.5 Significance of the Study

The findings of the research will be share to Inti Instruments (M) Sdn Bhd, place where the research was conducted. In this, this research will help the employers to find out the level of employee's satisfaction regarding work life balance in their work place. The results from the employees on this topic will be valuable for the employers to come out with even better benefits and policies that will help to increase the level of employee's satisfaction and reduce stress issues in workplace. Furthermore, it could also provide knowledge on work life balance for the fresh employee's and the response from the research could give them a small scenario on the current employee's satisfaction regarding work life balance. This research also will be useful for students who wish to do any research related to work life balance. Apart from that, the research also plays a part for the faculty where they could obtain knowledge about work life balance relation with employees satisfaction, since the study is conducted in one of the higher education institution which focuses on non-academic's staffs. The faculty also could evaluate the researcher's ability in conducting the research and their awareness in the field of study.

CHAPTER 2

LITERATURE REVIEW

This chapter discusses the perception and findings of the topic from previous researchers and authors. The variables also was explained and discussed. In this, researcher have stated the overall view of work life balance, the relation of work life balance, and also the components that reflect to work life balance which are flexible working schedule, pay for time not worked, security and health benefits, family friendly policies and employees wellness program. The literature review is also will be helpful for researcher in constructing the questionnaire related to the topic. Moreover, the prediction of research which is the hypothesis also presented in this chapter. The theoretical framework was also attached in this chapter.

2.1 Work Life Balance

The term work/life balance was invented in 1986 meanwhile work/life programs existed as early as the 1930's. Before World War II, the W.K. Kellogg Company created four six-hour shifts to replace the traditional three daily eight-hour shifts, and then new shifts resulted in increased employee morale and efficiency. In the 1980s and 1990s, companies began to offer work/life programs, while first wave of these programs were primarily to support women with children.(Lockwood, 2003) The thoughts of people have changed in the 1980s where men also began to voice out work-life issues affecting men's, families, organization and culture. (Sefah et al., 2012)

During the 1980s, recognizing the value and needs of their women contributors, pioneering organizations such as Merck, Deloitte & Touche and IBM began to change their internal workplace policies, procedures, and benefits (Bird, 2006). The changes made were in term of maternity leave, employee assistance programs (EAPs), flextime, home-based work and child-care referral. Numerous studies showed that the generations from baby boomers to new fresh graduates were making job choices based on their own work life issues and employer's culture. In this, it means that their concern in choosing work would be how far an organization contributes benefits in work-life balance that can increase their satisfaction.

Since 1997 there have been a number of regulatory changes that have been driven by a desire to make the labor market more equitable, efficient and safer given that the work-life balance agenda has some of its origin in a desire to improve health and safety (Hogarth et al., 2009). Nowadays, many organizations have come out with work life balance policies in order to increase employee's satisfaction in work place at the same time to retain the good staffs.

The definition of work life balance is varying according to authors and there is no single definition. An introduction of a general meaning of work life balance is essential in order to understand the root of work-life balance. Work life balance is about

the interaction between paid and other activities, including unpaid in families and the community, leisure, and personal development. Besides that it's also about creating a productive work culture where the potential for tensions between work and other parts of people's lives is minimized (State Services Commission, 2005). According to researcher understanding, it means that having proper employment provisions in work place, and organizational systems and supportive management that sustaining employee's satisfaction.

Work life balance practices have become a famous phenomenon in all kinds of companies, they represent "organizational efforts to improve workplace well-being through the provision of services and resources" (Chiang et al., 2010). In this, the improvement can be in term of policies and practices which reflects to work life balance. One of the reason organizations has come out with work-life balance practices is in order to overcome stress faced by employees which comes from high demands of jobs and also other issues.

Work life balance indicates to the coordination conflicts between different areas of life, it can be either work or non-work. Those conflicts are assigned as bidirectional dimensions. According to Schobert (2007) seven mechanisms dominate the work life balance literature:

- Work-Family Conflict: Several social roles affect each other's performances and obligations. Differences are set between time, emotional and attitude behavior conflicts.
- Work-Family Enrichment: One social role encourages another one.
- Work-Family Spillover: The appliance of certain skills, emotions, values and behaviors within one role can be transferred to another personal sector. Those can be positive for example work-family enrichment or negative like work-family conflict.
- Work-Family Balance: The status of individuals, which are equally involved and equally sophisticated with their roles within the work- and private life. As a result they will experience a lower level of stress and gain a high level of self-

- esteem, by coordinating three components which is the time balance, involvement balance and satisfaction balance.
- Accommodation: The accomplishment of one role will be reduced in order to meet requirements of another one. Psychological effects are common during this form of conflict.
- Compensation: The effort to adjust dissatisfaction of one facet with ambition and satisfaction within the other one.
- Segmentation: In order to balance the level of stress in one role a clear barrier of
 this and another role is set. Thus intervention of one with the other is minimized
 or completely avoided.

Indeed, according to Karatepe and Uludag (2007), work-life balance can be described as employees having the ability to fulfill both work and other responsibilities. Their definition is based on social issues associated with individuals 'irrespective of marital, race or gender' to attain an improved suit between paid work and personal life.

The economic perspective was described by Russell, O'Connell and McGinnity (2009) is as companies encouraging individuals to achieve balance as a result of benefits they would gain such as high retention staff, which is referred to as result of benefits they would gain such as high retention of staff, which is referred to as the business case approach. The main aim of the business case approach is that it results in a reduction in the absenteeism of employees and also represents the organization as a good employer. The failure to improve work-life balance will give impact such as include poor performance, absenteeism and sick leave, higher staff turnover, recruitment and training costs.

Furthermore for work-life balance which concern to family based, Clark (2000) defines work-family balance as "satisfaction and good functioning at work and at home, with a minimum of role conflict". This means that, an individual would be able to contribute well in the organization and family without any conflicts. In this, the

responsibilities that have been done by an individual either in organization or family should satisfy them.

2.1.1 Flexible Working Schedule

Flexible working schedule or flexi time originally derived from German word 'Gleitzeit which means 'sliding time'. According to Jim Bird, CEO of Worklifebalance.com (an international work-life balance and consulting company), "Work-life balance is meaningful achievement and enjoyment in everyday life". Also he believes that to achieve better work-life balance, each individual needs to work smarter to get more done in less time. The primary way companies can help facilitate work-life balance for employees is through work-life practices, that are usually associated with flexible working and reduction in working time or family friendly policies (Lazar et al., 2010).

A flexi time policy allows staff to determine when they will work. Some example of flexi time arrangements are reduced hours or part time, compressed work week, telecommuting, and job sharing. In some cases this may be employer recommendation a job requirement. As an advantage, this flexibility reduces employee's stress, minimizes absenteeism, assists employee's work-life balance issues and also provides a better environment in work place. Besides that, by giving a flexi time for an employee, there will be an understanding between the employee and the employer in solving certain work issues. Not only that, there must be also understanding among the working colleague so that once an employee's enter work late so the other one could done it meanwhile. This can allow them to meet family or personal commitments or any emergencies.

Telecommuting is nowadays becoming common where some organization encourage people to work from home instead of going office (Lazar et al., 2010). This happens when there are any tasks that need to be completed on time. This type of arrangement can be advantageous for employees where they can organize their work day around their personal and family needs, can decrease work related expenses and communicating time. Not only that, Australian research found that 70% of businesses that incorporated telework options reported a number of positive benefits, such as increased business productivity and reduced costs, improved employee flexibility and work life balance and increase workforce participation (Australian Telework Advisory Committee, 2006).

Besides that, it enables employees to work in a less stressful and disruptive environment. It may also helpful for disable employees who unable to leave home. Research from a UK Labor Force Survey, conducted by industry analyst Data monitor shows that 1.7 million people, about six percent of Briton's, now telecommute at least one day a week (Joshi, Leichne, et al., 2002)

Another way to perform flexible working hour is by compressed work week whereby the employees work longer shifts in exchange for a reduction in the number of working days in their work cycle for example it can be either weekly or biweekly basis. This can be beneficial for employees in term of additional days off work and reduced commuting time, whereas employers can extend their daily operating hours, with less need to resort overtime (Lazar et al., 2010).

Job sharing is another way which allows two employees to jointly fill one fulltime job, with shared and divided responsibilities and working time. In this, the advantage is that it allows employees to spend more time for other commitments, including family responsibilities. Apart from that, job sharing also assist the development of partnership where by sharing job they can learn from each other while providing mutual support. In this, it can benefit employers as well by improving staff retention, increasing productivity and combining a wider range of skills and experience

in a single job (Lazar et al., 2010). In some situation, such actions can also provide additional coverage during busy periods, while make sure the coverage is continued when one partner is on sick leave or holidays.

Some results from national correspondent's contributions indicate that there is a positive relationship between job satisfaction and working time flexibility, but a negative relationship between job satisfaction and overtime work (European Foundation for the Improvement of Living and Working Conditions, 2007). This shows that there some is a relationship between work life balance and job satisfaction.

2.1.2 Pay for Time Not Worked

According to a survey by travel-booking company Expedia.com, only 38 percent of U.S. employee's use all their selected vacation time (Shellenbarger, 2011). At Netflix, the emphasis is on what people get done, not on how many hours or days they work (Cascio, 2013). From this, it clearly stated that the organization wants work to be done in time. In this, it depends on the employee's creativity or talent to complete work in time and at the same time they could spend time for their own responsibility.

Benefits included in this category are as the following:

- Vacations
- Holidays
- Personal excused absence
- Sabbatical leaves

Paid vacation, holidays, sick leave and so on may not seem to make economic sense. The employer pays the employee for time not spends working, receiving no tangible production value in return. Therefore, some employers may see little direct advantage. In this, an organization will be able to gain good name from the employee's and it increases the loyalty of an employee towards the organization. According to