

Family-friendly workplace: An analysis of organizational effects in the transition economy*

Anja Svetina Nabergoj, Marko Pahor**

Several transition economies have witnessed a decreased state support for work-life balance, which called for a more active role and increased support offered by employers itself. Consequently, companies started implementing a wide array of family-friendly practices, however there was very little understanding about the main organisational effects of introducing family-friendly practices in the context of a transition economy. We propose and test a model of the relationship between family-friendly practices at the organisational level and their effects on the organisation. We offer a detailed investigation of the impact of eight groups of family-friendly practices on the perceived improvement in organisational outcomes. We analysed data over the span of five consecutive years, following companies in Slovenia that had systematically implemented family-friendly corporate practices. We analysed the perceived changes in 20 identified organisational outcomes. Using a linear regression model, we tested which practices would be most able to explain the perceived improvement. We found that the introduction of family-friendly practices had a positive perceived improvement in most (70 percent) of the identified areas, though none of them exhibited a significantly greater impact. Practices affecting workplace arrangements, information and communication and services for families were the groups of practices that had the greatest effect on the perceived positive effects for companies.

Key words: *family-friendly workplace, organisational practices, human resource management, reconciliation of work and family life, transition economies (JEL: M54, M59, Z13, I31, J13)*

* Manuscript received: 12.06.2014, accepted: 10.11.2015 (2 revisions)

** Corresponding author: Anja Svetina Nabergoj, Ph.D., Associate Professor, University of Ljubljana, Faculty of Economics, Kardeljeva ploscad 17, 1000 Ljubljana, Slovenia. E-mail: anja.svetina@ef.uni-lj.si.

Marko Pahor, Ph.D., Associate Professor, University of Ljubljana, Faculty of Economics, Slovenia. E-mail: marko.pahor@ef.uni-lj.si.

Introduction

Today's socio-economic, demographic, and cultural changes require that companies develop new ways to organise work and thereby encourage innovation in organisational and public policies. In the labour market, we are witnessing a rapid rise in women's level of participation (Berg et al. 2014; DeMartino et al. 2006; Kuhn/Wolpe 2013). There is also a growing number of single-parent families faced with the time-related challenges associated with working and raising children (Bakker/Karsten 2013; Bianchi/Milkie 2010). At the same time, contemporary social views and values are evolving towards more egalitarian gender and parental roles, and stressing the importance of men's direct involvement in care activities (Hertz 2008; Stephenson 2010) with regard to both children and elderly family members. Due to these trends, employees are finding it increasingly difficult to balance their professional and family responsibilities (Kossek et al. 2011).

The discussion about balancing work and non-work activities has become increasingly relevant among politicians (Saltzstein et al. 2001) and organisational stakeholders (Beauregard/Henry 2009; Kalliath/Brough 2008). In addition, the number of scientific publications in this area has been increasing over the past decade (Brough et al. 2005; Budd/Mumford 2006; Drago/Kashian 2003; Grosso 2008; Heywood et al. 2005; Lee/Hong 2011); the research on work-life balance (WLB) has generated important insights into the problems of combining family aspirations with paid work in relation to policy-relevant agendas (Pichler 2009). It is not surprising, then, that organisations have become increasingly interested in introducing practices to help employees better balance their work-life demands (Kalliath/Brough 2008). There are a number of different practices that organisations can implement in order to assist employees in balancing their work and their family life (Kirkwood/Tootell 2008), but the effects of introducing such practices are often unclear. These effects can be observed at both the employee and organisational levels—the latter being especially important for managerial decision-making processes.

Traditionally, the different life roles of the individual have been perceived as mutually exclusive. Moreover, many have believed that increased attention to one role necessarily leads to decreased attention on other roles and that a constant balancing of different roles inevitably leads to emotional exhaustion and stress (Greenhaus/Allen 2010). However, recent research (Bourne et al. 2009) has shown that people who value their professional and personal lives equally experience greater life satisfaction, are better able to balance the responsibilities of their roles, and experience less emotional exhaustion. However, the coordination of work and family life is complex and depends on the interplay between factors at three different levels: governmental, organisational, and individual. The relationship between these three levels is even more intertwined in

economies that have undergone economic transition from socialism to capitalism. In such transition economies, the decreased support for WLB by the state (Trefalt et al. 2013) necessitated the development of organisational and individual practices to support WLB (Ollier-Malaterre 2009) and affected the kinds of support offered by organisations (Abendroth/Den Dulk 2011). With this shift, several transition economies looked to the family-friendly corporate practices developed in Western European economies, one example being the European Family Audit program (Beruf und Familie 2015) designed to help companies implement the most appropriate set of family-friendly practices. This program was initially developed in Germany, subsequently used in Austria and Italy, and later adopted nation-wide by companies in Slovenia, as they looked to fill the gap in WLB support and introduce family-friendly practices at the organisational level (Ekvilib Institute 2014).

Although family-friendly practices have been increasingly introduced in all continents, including Europe (Klammer/Klenner 2003), Australia (Parkers/Langford 2008), and North America (Epstein 2006), the ability to measure the effectiveness of such programs has lagged behind, especially in the context of transition economies. Researchers (Bardoel et al. 2008) have noted that only a handful of companies systematically evaluate the costs and benefits of family-friendly practices and measure the return on investment (ROI) of such programs. Since companies rarely implement only one family-friendly practice, but rather introduce a bundle of practices, there is an emerging need to comprehensively and reliably measure the effects of multiple family-friendly practices (Anderson et al. 2002; Lewison 2006; Masi/Jacobson 2003) and to identify which practices bring the most benefits to employees and organisations. This is even more crucial in transition economies where family-friendly practices have been systematically implemented and managers need to be able to produce quantified and qualified reasoning that supports their actions.

In this paper, we study the co-ordination of work and family life from the organisational perspective by analysing the effects of introducing family-friendly practices into a company. The implementation of family-friendly practices is expected to bring beneficial effects for employees (Gupta et al. 2006); previous studies have examined the effects at the individual level in detail (Beauregard/Henry 2009; Jang 2009; Parkers/Langford 2008). While the effects at the organisational level have been studied (Bloom et al. 2011; Nord et al. 2002), most previous studies have focused on the single relationship between a selected family-friendly practice and an outcome measure, such as employee engagement (Parkers/Langford 2008) or productivity (Yang/Zheng 2011).

In this study, we take into account specific aspects of a transition economy to conduct a systematic analysis of the effects of multiple family-friendly practices at the organisational level. We investigate the impact of introducing eight groups of family-friendly practices (see Table 1) on a set of indicators, in-

cluding attracting best employees, improved retention rate, investment in employees, attractiveness of employer, motivation of employees, productivity, employee loyalty, organisational climate, customer satisfaction, WLB of employees, support for employees with family, employee satisfaction with family-friendly practices and employee demand for additional family-friendly practices.

We aim to answer the following research question: What are the main organisational effects of introducing family-friendly practices in the context of a transition economy?

Based on the literature review we propose the following two hypotheses:

H1: The implementation of family-friendly practices has a positive effect for the organisation in the context of a transition economy.

H2: Not all family-friendly practices implemented in Western European economies will be relevant in the context of transition economies.

In the first part of this paper, we discuss the relevance of the topic and why it has become the subject of increased discussion in scientific and business domains. We then review the literature focusing on the organisational perspective regarding family-friendly practices. Specifically, we focus on studies that have previously measured the effects at the organisational level or at least suggested areas that are impacted by such practices. Based on the literature review, we develop a comprehensive model of the interplay between family-friendly practices and organisational effects that we later test on our sample of companies. Finally, we discuss the results along with the limitations of our study and suggestions for further research.

Family-friendly practices in transition economies

Co-ordinating work and family life is a complex task that is dependent upon the interplay between factors at three different levels (Cohen/Kirchmeyer 1995): the governmental level (i.e., national legislation and the institutional framework), the organisational level (i.e., the practices and policies of employers), and the individual level (i.e., the strategies of employees). Governments have been adjusting public policies accordingly, but also encouraging companies to introduce practices to help employees balance work and non-work demands. Because public policies have often focused on the child-rearing responsibilities of mothers (Pylkkänen/Smith 2004), the needs of fathers have often not been addressed to the same extent. Consequently, fathers have often relied on the support given by their employer (Stephenson 2010). It has become clear that attitudes towards WLB cannot be guided solely by legislation, but need to be addressed at the organisational level (Kossek et al. 2011; Straub 2012; Valcour et al. 2011). This need became especially pressing in the transition economies of Eastern Europe, as the state support for WLB decreased throughout the period of transition (Trefalt et al. 2013).

Transition economies in Eastern Europe have received very little attention in the research on WLB. Nevertheless, individuals in these countries address conflicting work and private life demands in characteristic ways (Brainerd 2000; Ferrarini/Sjöberg 2010; Pascall/Lewis 2004; Stropnik 2001; Trefalt et al. 2013). Individuals develop strategies that help them to balance all of their responsibilities in the context of their specific family situation (Bourne et al. 2009; Trefalt 2008; Trefalt et al. 2013) and based on the level of legislative and organisational support. During transition, most Eastern European economies faced a sudden change in their socio-economic system, particularly in terms of the decreased level of state support for WLB, which had traditionally been very high under socialism (Abendroth/Den Dulk 2011). This sudden decrease in state support for WLB could have had a very negative effect on the work–life experiences of employees if this responsibility had not been transferred to employers and compensated for at the organisational level. In the various transition countries, this decrease in state support was manifested in different ways (Crompton/Lyonette 2006; Mortazavi et al. 2009), such as shorter maternity leave, less payment/compensation for parental leave, less financial support for state-funded child care facilities, and so on. Accordingly, the extent to which employers reacted with organised and institutionalised work–life support varied.

In Slovenia, where state-level support for WLB had traditionally been very high, it was clear that employers would need to compensate for the decrease in support by institutionalising practices, especially since the expectations of citizens stay high and do not adjust well to external changes. In light of this, Slovenian companies and governmental agencies launched the national “Family-Friendly Company Certificate” program in order to implement family-friendly practices in organisations. While, at first, most companies focused on the effects that the newly introduced family-friendly practices had on their employees, it has since become obvious that without establishing clearly defined effects at the organisational level, companies will not be able to justify the additional resources needed to support this initiative over the long term. Therefore, in order to evaluate the effects of family-friendly practices for companies in transition economies, we propose and test a model of the relationships between multiple family-friendly practices and their effects at the organisational level. With their systematic introduction of family-friendly practices over a very similar time frame, Slovenian companies offer a great case study for other transition economies.

Introducing family-friendly practices from an organizational perspective

In line with our research question, we focus on the organisational level of introducing family-friendly practices. Although we agree that it is useful to study the effects of such practices for individuals, we believe that the organisational effects also need to be measured and evaluated so that managers will be able to decide whether to introduce such practices into their organisation. This is especially true in light of the recent economic downturn (Naithani 2010), which has

placed tremendous pressure on organisations to cut costs and reduce their number of employees. Accordingly, this economic climate has jeopardised long-term job security and had tangible effects on the WLB of employees. Research reviews (Abendroth/Den Dulk 2011; Bloomberg Businessweek 2009; Khallash/Kruse 2012; Valcour et al. 2011) have reported that, in the current economic environment, WLB ranks as one of the most important workplace attributes, second only to compensation. Yet, whereas in 2006, 53% of employees felt that they had a good WLB, that number fell to 30% in the first quarter of 2009 (Bloomberg Businessweek 2009). Naithani (2010) argued that, throughout the second half of the 20th century, work demands increasingly encroached upon family and personal time at a much faster pace. As such, employers acknowledged the need for WLB programs designed to help employees to maintain a healthy balance between the conflicting demands of their work life and their personal life. Accordingly, employers have played an important role in establishing family-friendly company practices, believing that the effects significantly contribute to improving conditions for their employees. Although given the current economic situation, it might seem inappropriate for managers to consider investing in family-friendly practices, research has shown that the effective introduction of such practices can bring many tangible benefits to the company as well (Kisilewitz/Bendington 2009). In the following paragraphs, we will discuss the most important of these benefits.

While the positive effects of introducing family-friendly practices have not been systematically identified at the organisational level, there have been many studies showing the negative effects for the organisation due to employees experiencing a serious imbalance in their WLB (Bohle et al. 2004; Chiang et al. 2010; Thompson/Prottas 2006). Most often, the employer faces additional costs due to absenteeism, staff turnover, poorer quality of work, and accidents at work. Indirectly, costs can arise from employee dissatisfaction, weaker commitment to work, and so on. These additional costs indicate that family-friendly organisational policy is not only one element of an effective HR policy, but also should be incorporated into an overall business strategy. Indeed, there has been evidence that family-friendly policies pay off in terms of positive return on investments (Knaflíč et al. 2012; Nord et al. 2002), with financial benefits being accrued by employers, the national economy, and society in general (Gray 2002).

The most common family-friendly practices that aim at reconciling work and family life include flexible work schedules (Lewis 1997), parental leave (Dex et al. 2001), childcare support (Rothausen/Gonzales 1998), telework and work from home (Evjemo et al. 2001; Vittersø et al. 2003), internal communication, better working conditions, continuous training and education, and providing equal gender opportunities. The leading German organisation behind the European Family Audit (Beruf und Familie 2015) compiled a comprehensive list of

over 150 family-friendly practices that organisations can implement and grouped them into eight groups, as presented in Table 1.

Table 1: Groupings of the family-friendly practices the organisation can introduce

Groups of family-friendly practices	Examples of family-friendly practices the company can introduce
Working time	Flexible working time, shift work, part-time work, time bonus, condensed working week, job sharing, extra personal leave, shortened work time for parents, working time by life-phases, child-time bonus, flexible holiday planning, flexible work breaks
Organisation of work	Corporate team for WLB support, health and wellness programs, innovation in work processes and flows, employee replacement strategies, team work, job replacement, job sharing
Workplace arrangements	Telework, work from home, financial and technical support for remote work
Information and communication	WLB education programs, annual WLB survey, employee meetings, company open day, annual interviews
Leadership skills	Social skills, continuous education on WLB and wellness issues for the leadership, 360° analysis, share of women in leadership positions
Human resources development	Interviews, career planning, education programs during work time or with organised childcare, management training, gender equality opportunities, minorities employment, paternal leave
Compensation and rewards	Gifts for newborns, scholarships, loans, compensation for free time activities, psychological counselling, education for parents, housing support
Services for families	Counselling, child care, vacation offers, on-site childcare facilities, family room, family activities for employees, summer activities for school-aged children, relaxation room, New Year celebration and gifting for children

Source: The groups are based on classification and grouping by European Family Audit (Beruf und Familie 2015)

Although only focusing on partial relationships between specific family-friendly practices or subsets of practices and company level outcomes, previous studies have identified several positive effects. Lewis (1997) showed that flexible working hours result in increased productivity (Chow/Cheow Keng-Howe 2006; Yang/Zheng 2011). Similarly, Dex et al. (2001) reported that organisations offering parental leave enjoy above-average labour productivity. Regardless of whether the primary focus of the employee is their family, career, or a satisfactory balance between the two, organisations offering flexible career paths or dual career paths (with the possibility of privileging one's career or career and family) have been found to be more attractive than organisations offering only traditional career paths (Honeycutt/Rosen 1997). Companies implementing family-friendly practices have reported greater market efficiency, profit and sales growth, and organisational effectiveness (Perry-Smith/Blum 2000). In turn, greater satisfaction with the opportunities to reconcile work and family life encourages employees to identify better with their companies. As a result, employ-

ees' level of commitment and productivity at work also rise (Chou/Cheung 2013; Konrad/Mangel 2000). In addition, employees experience less stress and take less sick leave (Knaflíč et al. 2010); staff turnover is significantly reduced, which, in turn, reduces the costs involved in searching for new personnel and educating and training them. Since family-friendly companies enjoy a better public image, they are able to attract new personnel more easily, incurring fewer costs for advertising and filling vacancies (Honeycutt/Rosen 1997). Satisfied employees work more efficiently and with enhanced quality (Levin-Epstein 2006), which is consequently reflected in operating outcomes. It is important to note that these effects depend on factors such as company size, sector affiliation, and education structure or degree of specialisation needed for specific work skills (Juncke 2005).

Implementation of a family-friendly policy offers benefits to both employees and employers; employees find it easier to combine their work and family obligations, while employers have the potential to achieve better business results. Therefore, the use of such practices can lead to a *win-win* situation, positively impacting companies' organisational effectiveness and employees' well-being (Beauregard/Henry 2009). Developing and implementing such practices involves a two-way process between the employer and the employees, as, together, they search for appropriate solutions and adapt them to specific situations (Gray 2002; Levin-Epstein 2006). A comprehensive approach is crucial, which means introducing several different practices, enabling employees to select and combine the ones they really need, effectively managing the introduction of practices, and evaluating their implementation (Bardoel et al. 2008). In order to make an informed decision regarding the most appropriate practices, management needs to be able to weigh the value that each practice will bring to the organisation against the estimated costs. A study of 27 Australian companies revealed that the crucial factor in the success of introducing WLB practices was the continuous and systematic evaluation of the implementation of such practices, their effects for the organisation, and their effects for employees (Bardoel et al. 2008).

It is important that companies introduce practices that effectively meet the needs of their employees, especially those groups most burdened by having to coordinate family and work commitments (Kanjuo-Mrčela 2006). At the same time, companies should give equal opportunities to and redistribute work between those employees who have a greater burden of work and those who do not, especially since the responsibilities a person has outside of work can change several times throughout his or her career. As a result, individuals need different kinds of support at different stages of their personal life and career.

Methodology

In 2007, the nation-wide “Family-Friendly Company Certificate” program was introduced in Slovenia by the Ministry of Labour, Family and Social Affairs in partnership with an audit institution (Ekvilib Institute 2014). The “European Family Audit” system developed by the German organisation Berufundfamilie (Beruf und Familie 2015) was the inspiration for introducing this certificate. At the time, the certification program was already being used in Germany, Austria, Hungary, and Italy. Since the program was launched in Slovenia, thanks to government support, the number of companies with the certificate has grown each year—from 32 in 2007, to over 60 in 2011, to more than 130 in 2014 (Ekvilib Institute 2014). Companies can obtain the certificate after completing an audit process. The function of the audit is to assess and advise employers as to which tools could help them better manage their human resources in terms of reconciling the WLB of their employees. Through an internal process, companies determine which objectives they would like to achieve and then, in co-operation with a consultant from the auditing institute Ekvilib, select measures to be implemented. According to the internal assessment and with the help of the external consultant, the company introduces solutions to help improve the work environment so as to better reconcile the WLB of the employees.

Each company participating in the project has a dedicated in-house project team that oversees the implementation of the activities planned for the company. For this study, we sent the survey to the project team leader in each company, since this was the person responsible for the certification process and the implementation of the project, as well as for reporting to the auditing organisation. (The auditing organisation is authorised to lead and continuously monitor the certification process for family-friendly companies.)

The data was collected in two separate collections in 2010 and 2011 in order to analyse not only short-term effects, but also mid- to long-term effects and to avoid the single method bias. Accordingly, we designed the questionnaire to gather data for a period of two years before the introduction of family-friendly practices and for two years after. In the first round of data collection, we sent the questionnaire to the 32 companies that had obtained the certificate during the first wave of certification in 2007. The same questionnaire was sent to the same companies once more in 2011. The final sample included 25 companies that participated in both rounds, giving us a response rate of 78 percent for the second round. For the purposes of this paper, questions related to independent variables from the 2010 collection and questions related to dependent variables from the 2011 collection were used. For each company, the person listed as the contact person, who was responsible for the certification process, was asked to fill out the questionnaire.

For the purpose of this study, we designed a questionnaire, which was pre-viewed by the auditing institute and tested before the first study. The questionnaire was divided into four sections: general information about the company; the structure of employees in the company; family-friendly practices introduced; and the effects of the practices, measured both using quantitative measures (changes in turnover, sick leave, maternity leave, etc.) and a subjective assessment of the changes resulting from the introduction of family-friendly practices. We used general information, structure of employees and the family-friendly practices introduced from the first data collection point as explanatory variables and outcomes, measures in the second data collection point (2011) with perception and quantitative measures (changes in turnover, sick leave, maternity leave, etc.) as dependent variables in the model.

Proposed model

The dependent variable for our research was the improvement in organisational outcomes due to the introduction of family-friendly work practices. We tracked seven quantitative measures of organisational outcomes, namely employee turnover, absence due to sick leave and leaves for child care, rate of return after giving birth, father's leave rate, work-related accidents, and recruitment costs. In general, the changes in variables showed that most companies in the sample observed positive changes, especially in terms of turnover, recruitment costs, and sick leave. However, the results of descriptive analysis showed that companies were having great difficulties reliably tracking the requested indicators, which resulted in a high rate of missing values and made it impossible to use these objective measures for research purposes.

We thus decided to drop the models using quantitative measures and concentrate on the assessment of perceived improvement. To minimize measurement errors, we went through a process of scale development. Based on the existing literature, we first identified 20 organisational outcomes that the introduction of family-friendly policies might benefit. For each of the identified areas, we asked the respondents to rate the improvement they attributed to the introduction of family-friendly policies in their company. We asked them to rate the improvement on a scale from 1 (situation got much worse) to 5 (we see a lot of improvement). Given a relatively small number of cases we wanted to eliminate the irrelevant variables before proceeding with further steps of scale development. We therefore tested the perceptions of improvement against the indifference point 3. On average, the respondents identified significant improvement in most of the organisational outcomes: 14 of the 20 in the questionnaire. They did not identify improvements mostly in the areas of work-related stress, costs for the company, and conflicts between employees with families and those without.

In order to further select the variables and ascertain the dimensionality of the outcomes, exploratory factor analysis¹ was run on the organisational outcomes where significant improvements were detected. A strong unidimensionality was detected, with nearly 50% of the variability contained in the first factor. Unidimensionality was reconfirmed by testing the reliability of the 14 organisational outcomes together as one scale measuring improvement. Cronbach's Alpha of 0.927 demonstrated the high reliability of the scale; scale statistics also indicated that none of the variables could be dropped without damaging the reliability. Adding any of the six variables initially dropped from the analysis did not contribute to scale reliability. Thus, we formed an *outcome improvement scale* variable that spanned from 0 (when all answers were "situation got much worse") through 100 (when all answers were "we see a lot of improvement").² This became our dependent variable.

Findings

We tested the model using a linear regression model with an ordinary least squares estimator. We used a hierarchical approach to regression modelling with control variables (company characteristics) in the first model (M1) and hypotheses-related variables added in the second model (M2). We tested the extent to which the perceived improvement due to the introduction of family-friendly practices depended on the characteristics of the company (size and workforce composition) and the number of family-friendly practices implemented. To this end, we followed the classification and grouping by European Family Audit (Beruf und Familie 2015) and we grouped the 86 family-friendly practices available to Slovenian companies into eight groups: working hours (flexible work hours, shifts, extra leave, etc.), work organisation (teamwork, job sharing, etc.), workplace arrangements (working from home, telework, etc.), information and communication (PR, information outlets, employee events, etc.), leadership skills (management education, annual reviews, etc.), HR development (career consultation, support after return from longer absence like parental leave, etc.), compensation and rewards (financial aid, stipends for children, loans etc.), and services for families (day care, preschool, recreation facilities, etc.). For each group, we counted the number of practices that each company had implemented and created an index spanning from 0 (none of the practices in a certain group implemented) to 100 (all of the practices in a certain group implemented).

We believe that, although there was the possibility of a positive bias among the respondents (i.e., due to their role in the family-friendly certification project), the objective measure of the independent variables minimised this possibility.

¹ Maximum likelihood factoring method

² The scale is transformed to 0 to 100 range in order to get larger coefficients in the regression model. It is a linear transformation, we subtract one and multiply by 25.

We double-checked the presence of possible bias by regressing the outcome improvement scale from the second (2011) round of questionnaires on the independent variables from the first (2010) round of questionnaires. Due to a time lag and smaller sample size, the results were less significant, yet consistent with the results presented here. The common method bias was checked using Harman's single factor method, which produced a value of 0.43, indicating little danger of bias.

Table 2: Regression results (Outcome improvement scale as dependent variable)

		Model 1 (control variables only)		Model 2 (controls and hypotheses-based variables)	
		b (s.e.)		b (s.e.)	
	Intercept	101.1 (13.08)		160.65 (11.3)	***
Company characteristics	Log employees	2.09 (1.86)		2.63 (1.35)	*
	Share of female employees (%)	-0.04 (0.04)		-0.07 (0.03)	**
	Average employee age	-0.8 (0.41)	*	-2.11 (0.35)	***
Family-friendly practices imple- mented (groups)	Working hours			-0.04 (0.04)	
	Work organisation			-0.02 (0.02)	
	Workplace arrangements			-0.7 (0.09)	***
	Information and communication			0.47 (0.09)	***
	Leadership skills			0.08 (0.04)	**
	Human resources development			-0.01 (0.02)	
	Compensation and rewards			0.01 (0.02)	
	Services for families			0.06 (0.02)	***
Adjusted R square		0.015		0.589	
d.f. F		(3, 21)		(11,13)	

N = 25

*, **, and *** indicate significance at 0.1, 0.05, and 0.01, respectively

We estimated two models. In the first model, we regressed the outcome improvement scale against the control variables, namely the characteristics of a company: size (measured by log employees), share of female employees, and average age of employees. The model did not show any significant effects, except for a slight effect that companies with younger employees showed a greater level of perceived improvement. The R-square of the first model was 1.5 percent, which is almost negligible, indicating that controls alone could not explain the variation in the outcome improvement scale.

Adding the family-friendly practices that companies implemented changed the picture completely. The share of explained variance jumped to almost sixty

percent, indicating a good model fit. We observed a substantial effect from the number of practices adopted in four out of eight of the groups, mostly with positive coefficients. The results showed that the more family-friendly practices were adopted by the company, the greater the level of perceived improvement in organisational outcomes, as represented by the outcome improvement scale. Several of the control variables, previously non-significant, now have a relatively strong effects. Negative significant coefficients for share of female employees and average age indicate that men and younger employees are primary beneficiaries of the introduction of family friendly practices, while a positive company size effect suggest larger companies benefit more than smaller ones.

Discussion

The results confirm our first hypothesis (H1) that introducing family-friendly practices has a positive effect on a company's workforce. Surprisingly, introducing different workplace arrangements, such as telework or working from home, had a strong negative effect. The reason for this may be that, although working from home may benefit the company (The New York Times 2013), this bundle of practices might be perceived by employees as the integration of work and family life, rather than an attempt to find the balance between the two. As such, employees might view these practices as a step back rather than a step forward. This negative attitude towards blurring the boundaries between work and family life might be even more apparent in transition economies where there has historically been a strong culture of establishing clear divisions between people's professional and personal lives (Trefalt et al. 2013). This surprising negative effect also relates to our second hypothesis (H2), which proposed that not all family-friendly practices developed and implemented in Western European economies would be relevant in the context of transition economies. Indeed, our research data showed that not all sets of practices had the expected effect for the company that implemented them.

Transition countries like Slovenia have experienced a lot of changes at the national level in terms of work time and workplace arrangements, including the move towards longer average work hours, later starting times in the morning, and longer work days (Trefalt et al. 2013). These consequences of transition may have built up employees' resistance to such changes. As a result, as the data shows, the organisational practices in these areas on the outcome improvement scale did not display the expected effects.

In addition, compensation and rewards did not have a significant impact on perceived improvement. This result may be particular to Slovenia due to the country's high labour taxation, which is progressive and can even exceed 50% for high incomes (OECD 2014).

We believe that companies that have introduced a greater number of family-friendly practices demonstrate a greater commitment to supporting their employees to balance their work and non-work responsibilities. Accordingly, the impact of the number of implemented practices is not surprising, since this greater commitment to employees' WLB might encourage organisations to interpret even the slightest positive change as a big improvement. What is more important is that, after adding the family-friendly practices to our model, the effects of the company's characteristics became significant, indicating that the effects of introducing family-friendly practices may greatly depend on the characteristics of the company and its workforce composition.

Our results showed that introducing family-friendly practices had greater advantages for larger companies with younger employees and a smaller share of women. The importance of size is not surprising, as larger companies require more systematic and formal implementation of family-friendly practices, whereas in smaller companies, the family-friendly practices are often implemented informally at the individual level. In such cases, small companies may not even present these initiatives as comprehensive family-friendly programs. In addition, the company needs to be of a certain size for some practices to even be considered and implemented, for example, with workplace sharing, on-site child care facilities, and so on.

In terms of the role of the age of employees, it is expected that companies with younger employees would benefit more from introducing family-friendly practices. Younger employees, especially those with small children, experience greater work-life conflicts and, thus, require more support from their employer. Our results showed that introducing several family-friendly practices clearly brought benefits to this group. These benefits were also reflected at the organisational level, as family-friendly companies perceived that their family-friendly programs helped them to retain the best employees, made the company more attractive to potential employees, and helped to improve their productivity.

Probably the most surprising result was that companies with a higher share of female employees experienced fewer benefits from introducing family-friendly practices. The explanation lies in the fact that most companies with a dominant share of women had already been implementing family-friendly practices informally prior to acquiring their Family-Friendly Company Certificate. Consequently, formally adopting such practices did not have a substantial effect. However, it is an important finding that the positive effects of family-friendly practices are stronger in environments with a greater share of male employees. Firstly, this shows that men have a fundamental need to balance their work and non-work demands, particularly as they take an even more active role in child rearing, child care, and care for elderly relatives. For centuries, men have been perceived to be mainly focused on their career and providing for their family, leaving the household responsibilities to women. The impetus to shift this

traditional gender divide has come from both women, who are increasingly active in the labour market, and men, who want to be part of the emotional (not just economic) life of their family and to better balance work and family responsibilities with their own private time (Hertz 2008). Since men have historically received less governmental and organisational support to better balance their various roles, they need more WLB support from their employers. Therefore, as our results indicate, companies with a greater share of male employees can clearly benefit from addressing this need by offering their employees more family-friendly work options.

The main limitation of this study was the size of the population. Despite being able to collect data from 50% of the whole population of Family-Friendly Certificate holders that had had the certificate long enough to be able to report the effects, the sample was still small and did not allow for subgroupings in terms of size or industry. However, we were able to run the study twice, which generated a larger dataset with which to better assess the effects of introducing family-friendly practices. We believe that there are many benefits to systematically evaluating the effects of the certification process. Accordingly, we suggest a long-term study that would include certificate holders, as well as their industry competitors. This would allow for a more detailed analysis and insight into the importance of industry, type of work, and organisational structure for the successful implementation of family-friendly practices. Secondly, we see an important opportunity to run a multi-level analysis, collecting data at the organisational level, as well as from employees who are benefiting from family-friendly practices. Such a study would give us a better understanding of the relationships between the perceived effects at the organisational level and those at the individual level. To conclude, we believe that there is a need for a wider study to help determine the variables at the organisational and individual levels, as well as the context-specific variables affecting the success of family-friendly practices.

Conclusion

Employers are becoming increasingly aware of their role in helping employees to balance work and non-work demands. Many times, managers decide to introduce family-friendly practices in order to avoid the negative effects that happen when employees face substantial work–life conflicts. Such conflicts can lead to absenteeism, turnover, lower quality of performed work, work-related accidents, and, by extension, less employee satisfaction. Besides the psychological reasoning, there is a clear economic component that encourages companies to introduce family-friendly programs (Knaflič et al. 2012). Moreover, decreased state support for programs designed to help individuals (particularly parents) manage their WLB has encouraged employers in transition economies to take over at least some of that responsibility. These employers have begun to systematically

offer a variety of family-friendly practices and to enable their employees to choose the ones best suited to them.

In line with this, family-friendly practices that help employees to achieve a successful WLB have become a priority at many Slovenian companies. Those companies seeking to systematically implement such programs have joined the certification process and received their Family-Friendly Company Certificate. From the regressions run in our analysis, it seems that the most important practices implemented were the ones in the information and communication group. These practices were also among those most widely introduced. In Slovenia, there are several family-friendly practices already in place at the national level that give employees with children many rights and opportunities (e.g., parental leave, shorter work day for parents with young children, etc.). When employers take an active role in informing and encouraging their employees to take advantage of existing family-friendly practices both at the national and organisational levels, this seems to make a deep impact. Practices in the area of work organisation and workplace arrangements did not seem to play an important role in improving organisational outcomes, perhaps because companies have been reluctant to make adjustments in these areas radical enough to produce measurable change.

Significant positive regression coefficients for several introduced measures confirmed our first hypothesis (H1) that introducing a comprehensive system of family-friendly practices would have positive effects on the company. The system adopted in Slovenia was almost a replica of the one established in Germany, so we could observe the effect of translating Western economic practices into the context of a transition economy. We found that the perceived effect of introducing family-friendly practices was positive in most (70%) of the identified areas of business, though none stood out in particular. There were some areas, however, where introducing these practices did not have a positive effect. In particular, we did not observe positive effects on the reduction of costs for the company and on the reduction of conflict between employees with families and those without. These findings offer strong support for our second hypothesis (H2), namely: not all measures transferred and translated from a Western economy work in the context of a transition economy.

Our study suggests that the implementation of family-friendly practices is more effective if implemented as a comprehensive program that offers employees a wide enough spectrum of practices to choose from, depending on their individual situation. At the same time, the practices that are made available need to be tailored to the specific needs of the company and its employees. It is recommended that employees become involved in the selection, implementation, and evaluation of flexible practices (Gottlieb et al. 1998). Such a continuous evaluation will help management to decide which practices should be added or eliminated from the program. Balancing work and non-work responsibilities is a dynamic process that changes along with its protagonists. Despite several specifici-

ties, transition economies in Eastern Europe also have a lot in common. As such, we believe that this study can shed some light on how similar national programs supporting WLB can be implemented. This study reveals which effects are expected at the organisational level, why it is worth investing in such programs at the organisational level, and how national governments can create multiplied effects if they endorse such programs at the national level.

While many studies have focussed on the negative consequences of not offering family-friendly options to employees, we have concentrated on the positive effects of introducing such practices. The findings revealed that the most frequently introduced practices were the communication about family-friendly practices to internal and external audiences and the introduction of a child-time bonus. Among the proposed practices, several were not adopted by any of the companies. The companies were most reluctant to introduce practices that would incur a direct financial cost and practices that would considerably alter established work time and workplace arrangements.

When studying the effects of introducing family-friendly practices, we should not forget to mention the limitations of such programs. The effects are highly contextual (Ollier-Malaterre 2009; Trefalt et al. 2013). Some practices can bring substantial positive effects to one company, while having no or even a negative effect on another. Firstly, this shows that programs should be individually designed and tailored to the characteristics and needs of each organisation. Secondly, there is a clear need to monitor and evaluate the program within the organisation. Our study found that companies have been reporting organisational practices in line with legal requirements, but most have not been evaluating their family-friendly programs. Therefore, they are often unable to report on the effectiveness of such programs. We suggest that companies implement monitoring systems to help them to evaluate the positive and negative effects of each initiative within their family-friendly program. Moreover, our findings and other studies published to date can help to offer general guidelines in this process.

The motivation to help individuals achieve better WLB goes beyond individuals and their employers. Governments are interested in family-friendly policies that allow parents to remain employed while carrying out their parental roles. In this way, governments can increase their revenue and reduce outflows, since employees pay social security contributions and income taxes, while having less need for social assistance. In addition, this shift improves the ratio between the active and inactive population (Kanjuo-Mrčela 2006; Rürup/Gruescu 2005), making this topic high on policy-making agendas. We believe that companies should closely monitor the family-friendly options offered by the government and then focus on the gaps left by legislation that should be addressed at the organisational level.

References

Abendroth, A.-K./Den Dulk, L. (2011): Support for the work–life balance in Europe: The impact of state, workplace and family support on work–life balance satisfaction, in: *Work, employment and society*, 25, 2, 234-256.

Anderson, S.E./Coffey, B.S./Byerly, R.T. (2002): Formal organizational initiatives and informal workplace practices: Links to work–family conflict and job-related outcomes, in: *Journal of Management*, 28, 6, 787-810.

Bakker, W./Karsten, L. (2013): Balancing paid work, care and leisure in post-separation households: A comparison of single parents with co-parents, in: *Acta Sociologica*, 56, 2, 173-187. doi: 10.1177/0001699312466178

Bardoel, E.A./de Cieri, H./Mayson, S. (2008): Bridging the research practice gap developing a measurement framework for work life initiatives, in: *Journal of Management & Organization*, 14, 3, 239-258.

Beauregard, T.A./Henry, L.C. (2009): Making the link between work-life balance practices and organizational performance, in: *Human Resource Management Review*, 19, 1, 9-22.

Berg, P./Kossek, E.E./Misra, K./Belman, D. (2014): Work–life flexibility policies: Do unions affect employee acces and use? in: *Industrial & Labor Relations Review*, 67, 1, 111-137.

Beruf und Familie. (2015): European work & family audit. Retrieved from <http://www.beruf-und-familie.de/index.php?c=23>

Bianchi, S.M./Milkie, M.A. (2010): Work and family research in the first decade of the 21st century, in: *Journal of Marriage and Family*, 72, 705-725.

Bloom, N./Kretschmer, T./Van Reenen, J. (2011): Are family-friendly workplace practices a valuable firm resource? in: *Strategic Management Journal*, 32, 4, 343-367. doi: 10.1002/smj.879

Bohle, P./Quinlan, M./Kennedy, D./Williamson, A. (2004): Working hours, work-life conflict and health in precarious and "permanent" employment, in: *Revista de Saúde Pública*, 38, 19-25.

Bourne, K.A./Wilson, F./Lester, S.W./Kickul, J. (2009): Embracing the whole individual: Advantages of a dual-centric perspective of work and life, in: *Business Horizons*, 52, 4, 387-398.

Brainerd, E. (2000): Women in transition: Changes in gender wage differentials in eastern europe and the former soviet union, in: *Industrial & Labor Relations Review*, 54, 1, 138-162.

Brough, P./O'Driscoll, M.P./Kalliath, T.J. (2005): The ability of family friendly organizational resources to predict work family conflict and job and family satisfaction, in: *Stress and Health*, 21, 223-234.

Budd, J.W./Mumford, K.A. (2006): Family-friendly work practices in Britain: Availability and perceived accessibility, in: *Human Resource Management*, 45, 1, 23-42.

Chiang, F.F./Birtch, T.A./Kwan, H.K. (2010). The moderating roles of job control and work–life balance practices on employee stress in the hotel and catering industry, in: *International Journal of Hospitality Management*, 29, 1, 25-32.

Chou, K.L./Cheung, K.C.K. (2013): Family-friendly policies in the workplace and their effect on work-life conflicts in Hong Kong, in: *The International Journal of Human Resource Management*, 24, 20, 3872-3885. doi: 10.1080/09585192.2013.781529

Chow, H.-S./Chew Keng-Howe, I. (2006): The effect of alternative work schedules on employee performance, in: *International Journal of Employment Studies*, 14, 1.

Cohen, A./Kirchmeyer, C. (1995): A multidimensional approach to the relation between organizational commitment and nonwork participation, in: *Journal of Vocational Behavior*, 46, 189-202.

Crompton, R./Lyonette, C. (2006): Work-life 'balance' in Europe, in: *Acta Sociologica*, 49, 4, 379-393. doi: 10.1177/0001699306071680

DeMartino, R./Barbato, R./Jacques, P.H. (2006): Exploring the career/achievement and personal life orientation differences between entrepreneurs and nonentrepreneurs: The impact of sex and dependents, in: *Journal of Small Business Management*, 44, 3, 350-368.

Dex, S./Smith, C./Winter, S. (2001): Effects of family-friendly policies on business performance, in: *Research Papers In Management Studies*, University Of Cambridge Judge Institute Of Management Studies Wp.

Drago, R./Kashian, R. (2003): Mapping the terrain of work/family journals, in: *Journal of Family Issues*, 24, 4, 488-512.

Ekvilib Institute. (2014): Retrieved May 21, 2014, from <http://www.ekvilib.org>

Epstein, J.L. (2006): Getting punched: The job and family clock, in: *Center for Law and Social Policy*.

Evjemo, B./Yttri, B./Akselsen, S./Julsrud, T.E. (2001): How does telework influence on quality of work? in: *R&D R 41/2001*.

Ferrarini, T./Sjöberg, O. (2010): Social policy and health: Transition countries in a comparative perspective, in: *International Journal of Social Welfare*, 19, 60-88.

Gottlieb, B.H./Kelloway, E.K./Barham, E.J. (1998): *Flexible work arrangements: Managing the work-family boundary*. Chichester, UK: Wiley.

Gray, H. (2002): Family-friendly working: What a performance! An analysis of the relationship between the availability of family-friendly policies and establishment performance. London, UK: Centre for Economic Performance, London School of Economics and Political Science.

Greenhaus, J.H./Allen, T.D. (2010): Work-family balance: A review and extension of the literature, in: *Handbook of occupational health psychology*, 2nd edition, Washington, DC: American Psychological Association.

Grosso, J.-L. (2008): Are family friendly policies that friendly? A look at the impact of maternity and parental leaves on the status of women at work, in: *Oxford Business & Economics Conference Program*.

Gupta, N.D./Smith, N./Verner, M. (2006): Child care and parental leave in the Nordic countries: A model to aspire to? in: *Institute for the Study of Labour (IZA)*, research paper series. Bonn: IZA

Hertz, R. (2008): The myth of work–life balance: The challenge of our time for men, women and societies (by R. Gambles, S. Lewis and R. Rapoport; reviewed by Rosanna Hertz), in: *Community, Work & Family*, 11, 3, 337-340.

Heywood, J.S./Siebert, W.S./Wei, X. (2005): High performance workplaces and family friendly practices: Promises made and promises kept.

Honeycutt, T.L./Rosen, B. (1997): Family friendly human resource policies, salary levels, and salient identity as predictors of organizational attraction, in: *Journal of Vocational Behavior*, 50, 2, 271-290.

Jang, S.J. (2009): The relationships of flexible work schedules, workplace support, supervisory support, work–life balance, and the well-being of working parents, in: *Journal of Social Service Research*, 35, 2, 93-104. doi: 10.1080/01488370802678561

Juncke, D. (2005): Betriebswirtschaftliche Effekte familienbewusster Personalpolitik: Forschungsstand. Working paper for the Forschungszentrum Familienbewusste Personalpolitik. Münster: Westfälische Wilhelms-Universität.

Kalliath, T./Brough, P. (2008): Work–life balance: A review of the meaning of the balance construct, in: *Journal of Management and Organization*, 14, 3, 323.

Kanjuo-Mrčela, A./Černigor-Sadar, N. (2006): Starši med delom in družino, in: *Teorija in praksa*, 43, 5-6, 716-736.

Khallash, S./Kruse, M. (2012): The future of work and work–life balance 2025, in: *Futures*, 44, 7, 678-686.

Kirkwood, J./Tootell, B. (2008): Is entrepreneurship the answer to achieving work–family balance? in: *Journal of Management and Organization*, 14, 3, 285.

Knaflič, T./Svetina Nabergoj, A./Pahor, M. (2010): Kaj podjetju prinašajo družini prijazni ukrepi, in: *Iz raziskav*, 52-57.

Knaflič, T./Svetina Nabergoj, A./Pahor, M. (2012): Analiza učinkov uvajanja družini prijaznega delovnega okolja, in: *Economic and Business Review*, 12, 27-44.

Konrad, A.M./Mangel, R. (2000): Research notes and commentaries the impact of work–life programs on firm productivity, in: *Strategic Management Journal*, 21, 12, 1225-1237.

Kossek, E.E./Pichler, S./Bodner, T./Hammer, L.B. (2011): Workplace social support and work–family conflict: A meta-analysis clarifying the influence of general and work–family-specific supervisor and organizational support, in: *Personnel Psychology*, 64, 2, 289-313. doi: 10.1111/j.1744-6570.2011.01211.x

Kuhn, A./Wolpe, A. (2013): Feminism and materialism (RLE feminist theory): Women and modes of production, in Routledge library editions: Feminist theory, London: Routledge.

Lee, S.-Y./Hong, J.H. (2011): Does family-friendly policy matter? Testing its impact on turnover and performance, in: *Public Administration Review*, 71, 6, 870-879. doi: 10.1111/j.1540-6210.2011.02416.x

Levin-Epstein, J. (2006): Getting punched: The job and the family clock. Washington DC: Center for Law and Social Policy.

Lewis, S. (1997): 'Family friendly'employment policies: A route to changing organizational culture or playing about at the margins? in: *Gender, Work & Organization*, 4, 1, 13-23.

Lewison, J. (2006): The work/life balance sheet so far, in: *Journal of Accountancy*, New York, 202, 2, 45.

Masi, D.A./Jacobson, J.M. (2003): Outcome measurements of an integrated employee assistance and work-life program, in: *Research on Social Work Practice*, 13, 4, 451-467.

Mortazavi, S./Pedhiwala, N./Shafiro, M./Hammer, L. (2009): Work-family conflict related to culture and gender, in: *Community, Work & Family*, 12, 2, 251-273.

Naithani, P. (2010): Overview of work-life balance discourse and its relevance in current economic scenario, in: *Asian Social Science*, 6, 6, 148-155.

Nord, W.R./Fox, S./Phoenix, A./Viano, K. (2002): Real-world reactions to work-life balance programs: Lessons for effective implementation, in: *Organizational Dynamics*, 30, 3, 223-238.

Ollier-Malaterre, A. (2009): Organizational work-life initiatives: Context matters, in: *Community, Work & Family*, 12, 2, 159-178.

Organisation for Economic Co-operation and Development (OECD). (2014): Slovenia: Reforms for a strong and sustainable recovery (Better Policies series). Paris: OECD.

Parkers, L.P./Langford, P.H. (2008): Work-life balance or work-life alignment? in: *Journal of Management & Organization*, 14, 3, 267-284.

Pascall, G./Lewis, J. (2004): Emerging gender regimes and policies for gender equality in a wider Europe, in: *Journal of Social Policy*, 33, 373-394.

Pichler, F. (2009): Determinants of work-life balance: Shortcomings in the contemporary measurement of WLB in large-scale surveys, in: *Social Indicators Research*, 92, 3, 449-469.

Pylkkänen, E./Smith, N. (2004): The impact of family-friendly policies in Denmark and Sweden on mothers? Career interruptions due to childbirth, in: Institute for the Study of Labour (IZA), discussion paper series. Bonn: IZA.

Rothausen, T.J./Gonzales, J.A. (1998): Family-friendly backlash-fact or fiction? The case of organizations on-site child care centers, in: *Personnel Psychology*, 51.

Rürup, B./Gruescu, S. (2005): Familienorientierte Arbeitszeitmuster-neue Wege zu Wachstum und Beschäftigung: Gutachten im Auftrag des Bundesministeriums für Familien, Senioren, Frauen und Jugend. Darmstadt Technical University, Department of Business Administration, Economics and Law, Institute of Economics (VWL).

Saltzstein, A.L./Ting, Y./Saltzstein, G.H. (2001). Work-family balance and job satisfaction: The impact of family-friendly policies on attitudes of federal government employees, in: *Public Administration Review*, 61, 4, 452-467. doi: 10.1111/0033-3352.00049

Stephenson, M.-A. (2010): Fathers, families and work: Putting 'working fathers' in the picture, in: *Political Quarterly*, 81, 2, 237-242.

Straub, C. (2012): Antecedents and organizational consequences of family supportive supervisor behavior: A multilevel conceptual framework for research, in: *Human Resource Management Review*, 22, 1, 15-26.

Stropnik, N. (2001): Child care in Slovenia: An example of a successful transition, in: *Institute of Economic Research*, 27, 3, 263-278.

The New York Times. (2013, March 2): Location, location, location [Editorial]. Retrieved from http://www.nytimes.com/2013/03/03/opinion/sunday/working-from-home-vs-the-office.html?_r=1

Thompson, C.A./Prottas, D.J. (2006): Relationships among organizational family support, job autonomy, perceived control, and employee well-being, in: *Journal of Occupational Health Psychology*, 11, 1, 100.

Trefalt, Š. (2008): Between you and me: A relational perspective on managing work–nonwork boundaries. Doctoral dissertation, 231.

Trefalt, Š./Drnovšek, M./Svetina-Nabergoj, A./Adlešič, R. V. (2013): Work–life experiences in rapidly changing national contexts: Structural misalignment, comparisons and choice overload as explanatory mechanisms, in: *European Management Journal*, 31, 5, 448-463. doi: <http://dx.doi.org/10.1016/j.emj.2013.04.006>

Valcour, M./Ollier-Malaterre, A./Matz-Costa, C./Pitt-Catsouphes, M./Brown, M. (2011): Influences on employee perceptions of organizational work–life support: Signals and resources, in: *Journal of Vocational Behavior*, In Press, Corrected Proof.

Vittersø, J./Akselsen, S./Evjemo, B./Julsrud, T.E./Yttri, B./Bergvik, S. (2003): Impacts of home-based telework on quality of life for employees and their partners: Quantitative and qualitative results from a european survey, in: *Journal of Happiness Studies*, 4, 2, 201-233.

Yang, S./Zheng, L. (2011): The paradox of de-coupling: A study of flexible work program and workers' productivity, in: *Social Science Research*, 40, 1, 299-311.