

EMPLOYEE ATTITUDES AND EMPLOYER FAMILY-FRIENDLY FLEXIBILITY POLICIES: A MULTI-LEVEL ANALYSIS

Work-family strain – the result of having to choose between family and work responsibilities and feeling unable to do both as desired – is an increasingly recognized problem as the result of higher proportion of mothers in the work-place, long commutes, and a 24x7 economy. Strain is associated with a myriad of personal and familial challenges in terms of both physical and emotional health for individuals and relationships. It is also challenging to businesses, who may suffer from employee burn-out, reduced productivity and heightened turnover. Both employees and employers experiment with ‘flexibility benefits’, that is, telecommuting, adjustable schedules (e.g., to avoid rush hour, or 4-day compressed workweeks) and simply being able to leave or not come in to work for personal reasons. While the theory would imply that these policies should alleviate strain and thus be associated with increased employee satisfaction with flexibility benefits offered to them, with their job, and with their employer overall, research has been mixed, finding in some cases that flex policies are associated with higher levels of work-family strain. This is particularly true for employees who have the option of telecommuting to their jobs.

The extensive literature on work-family balance and strain, in a multitude of disciplines – social processes, familial relationships, human resources – has succeeded in clearly establishing the problems of work-family strain. This research is hampered by limitations of data, however, and thus perhaps explains some of the equivocal patterns observed. First, the research is either solely from the employees’ viewpoint, without any data regarding availability of employer benefits or other employer characteristics. Second, many studies that include employer information are from one or a handful of companies only, and even then typically from the same industry. Third, many of these data sets are very small, and studies are often solely qualitative. Although these studies provide a great deal of anecdotal texture, they lack the concrete information about work-family balance and policies needed for generalization and broader applicability.

Yet without these data, it has been difficult if not impossible to know which flex policies

employees have available to them, so how they resolve or address work-family strain is unclear. Further, the value and meaning of flexibility and its associated policies are also not explored. For this kind of inquiry, a dataset with employees matched to employers and encompassing a broader spectrum of companies is desirable. Yet the cost and feasibility of such studies is often prohibitive. We have available to us such a dataset, as described below.

MODEL AND HYPOTHESES

The core hypotheses I shall explore for work-family flexibility policies:

1. That the availability of flex policies and an employee's degree of satisfaction with them, increases employee loyalty and job satisfaction.
2. This increased loyalty and satisfaction may not experience by employees with children at home.
3. Not all policies are alike: telecommuting should be associated with higher levels of satisfaction.
4. The presence of flex policies is more important and valuable to employees with children than those without
5. Flex policies will be more important for employees in non-profit companies than in for-profit companies.

DATA AND METHODS

Data

This research takes advantage of a unique data set collected in collaboration with the *Washingtonian Magazine* and their biannual Great Places to Work competition. The senior author has been serving as the methodologist on this project, and designed the surveys based on a review of the literature on employee satisfaction. In this matched data set, there are a total of 180 companies representing some 12,000 employees, from a range of industries, and levels within each organization, from lower level administrative to director level, men and women. It is not representative of all industries in the United States, or of the greater Washington DC metro area, although it is reflective of the unique nature of the latter. These data sets – with matched employers to employees – are extremely rare. While

the sample is not representative, to our knowledge there is no better database. (Note: the paper to be presented at PAA will include an audit of available datasets.)

While we did not have complete control over the employers' recruiting of employees for participation in the survey, all employers had to provide a sample of employees equal to or greater than the number required to be statistically significant at the 90% level (with the finite population correction applied) and most reached the 95% level.

Method

Because of the nature of the data structure, using multilevel analysis is an appropriate tool. The dependent variables are overall satisfaction with the job (a 10-point scale), overall satisfaction with flexibility (7-point scale) and a proxy for loyalty: likelihood of recommending the employer as a great place to work (5-point scale). The level one variables, the employee level, are a dichotomous measure indicating whether the employee has school-aged children at home and satisfaction with health benefits (7 point scale). The level two variables, the employer level, are the presence of flexibility policies: whether the firm allows telecommuting, compressed workweeks, or adjustable schedules.

Employees were asked to explain the answer they provided to the satisfaction with flexibility rating. To add further clarity about what flexibility means to employees, we will code employee open-ended answers. These codes will be used to validate the rating scale and also to explore more adequately how employees utilize flexibility policies to manage their work-family balance.

RESULTS AND DISCUSSION

The results of our preliminary analysis indicate that of the three forms of flexibility, telecommuting has a positive impact on both overall job satisfaction and satisfaction with flexibility policies, and no other flex policy has a significant impact on these two ratings. Employees in companies offering a compressed workweek are more likely to recommend their employer. Companies with adjustable schedules' employees are also more likely to recommend their employers but there are some measurement issues that may muddy this result. As expected, having children in the home is associated with less satisfaction in all ratings. Satisfaction with healthcare benefits is associated with greater

satisfaction for all ratings such that every 1 unit increase in satisfaction with benefits produces a large increase in all 3 DVs.

TABLE 1: MULTI-LEVEL MODEL OF EMPLOYEE ATTITUDES AND AVAILABILITY OF FLEX POLICIES

	Likelihood of Recommending Employer		Satisfaction w/Flexibility		Overall Satisfaction	
	β Coefficient	p-value	β Coefficient	p-value	β Coefficient	p-value
Employee Level						
Kids @ home	-.2930493	.000	-.6750973	.000	-.3074578	.000
Benefits	.226747	.000	.8620066	.000	.6580041	.000
Employer Level						
Adjustable Schedules	1.0388935	.025	-.0146985	.617	.0311854	.440
Compressed Work						
Week	1.0284034	.031	.0007438	.973	.0402445	.189
Telecommuting	.0173834	.329	.1294222	.000	.9917616	.027

Note for reviewers: We are also exploring employer level variables for size of company and industry, percentage of women in the company (overall and in management positions) and hours worked (reported by both employees and employers). Hypotheses 4 & 5 have not been tested yet but will be.

CONCLUSIONS

We now find that telecommuting functions as expected: when we know employers offer it, it is associated with greater satisfaction with the company. The result for adjustable schedules is somewhat unclear and will be more obvious after we incorporate the open-ended coding and validation. Yet what these preliminary results point to is that having fair and judiciously applied policy that is not dependent on the relationship with the manager and employee has been seen to be important for employees' satisfaction with their employer. The implications for these findings are that some policies are not just 'nice-to-have' but are necessary for companies in the 21st century.