

GENERATIONAL DIFFERENCES AND ITS INFLUENCE ON WORK-LIFE BALANCE AND ORGANISATIONAL COMMITMENT

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TERHADAP IMBANGAN KERJA-KEHIDUPAN LUAR
KERJA SERTA KOMITMEN ORGANISASI**

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The appreciation is also extended to all the course lectures of MHCM programs, for their valuable lectures and assistance. Not to forget to my family members for their support, patient and understanding during my Master's course.

Last but not least, sincere thanks for all the respondents for their time in completing the questionnaires.

Allona Joos
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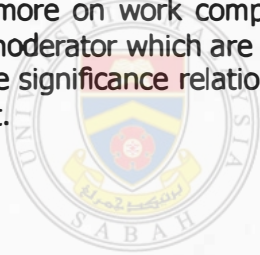


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ABSTRACT

GENERATIONAL DIFFERENCES AND ITS INFLUENCE ON WORK-LIFE BALANCE AND ORGANISATIONAL COMMITMENT

The purpose of this study is to have a greater understanding on the influence of employees' generational differences (the Baby Boomer, Generation X, and Generation Y) on work-life balance and organisational commitment. The quantitative research method was used to gather data from employees who work in the Kota Kinabalu area. In this study, work-life balance (WLB) was the independent variable and organisational commitment as the dependent variable. The work-life balance (WLB) questionnaire (Hayman, 2005) was chosen to measure the independent variable. The questionnaire from Allen and Mayer, 2001 was used to measure organisational commitment in an organisation. In consistence with that, the questionnaires have been analyzed by using the Statistical Package for Social Science (SPSS) and there are in total of 229 respondents from government and private answered the questionnaire. After conducting the analyses, it showed that the Baby Boomer has the highest level of organisational commitment and followed by Generation X and Y. This is partially due to the fact that the Baby Boomer preference more on work compared to the other generation. In this study also, two of the moderator which are age and years of service (current organisation) also indicated the significance relationship between work-life balance and organisational commitment.



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ABSTRAK

Kajian ini bertujuan untuk memahami dengan lebih mendalam tentang pengaruh perbezaan generasi pekerja ("the Baby Boomer", Generasi X dan Generasi Y) terhadapimbangan kerja-kehidupan luar kerja dan komitmen organisasi. Kaedah kajian kuantitatif digunakan untuk mengumpul data daripada pekerja yang bekerja di kawasan Kota Kinabalu. Dalam kajian ini, imbalan kerja-kehidupan luar kerja dijadikan sebagai pembolehubah bebas dan komitmen organisasi sebagai pembolehubah bersandar. Borang soal selidik (Hayman, 2005) dipilih untuk mengukur pembolehubah bebas. Manakala Allen dan Mayer, 2001 dipilih untuk mengukur komitmen terhadap organisasi. Konsisten dengan itu, borang soal selidik telah dianalisis dengan menggunakan Statistical Package for Social Science (SPSS) dan seramai 229 responden dari sektor kerajaan dan swasta telah menjawab borang soal selidik tersebut. Setelah analisis dijalankan, keputusan menunjukkan bahawa "the Baby Boomer" memiliki nilai komitmen organisasi yang tertinggi dan diikuti oleh Generasi X dan Y. Sebahagian hal ini adalah kerana fakta bahawa "the Baby Boomer" mengutamakan lebih pada kerja berbanding dengan generasi lain. Dalam kajian ini juga, dua moderator iaitu umur dan tahun perkhidmatan (organisasi sekarang) juga menunjukkan wujudnya hubungan signifikan di antara imbalan kerja-kehidupan luar kerja dan komitmen organisasi.

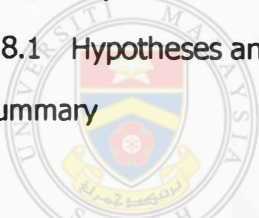


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LIST OF ABBREVIATIONS

WLB	Work-life Balance
PLIW	Personal life interference with work
AC	Affective commitment
CC	Continuance commitment
NC	Normative commitment



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CHAPTER 1

INTRODUCTION

1.0 Introduction

The discussion in chapter one was based on the overview of the research background, indication of the problem statement, objectives of the research, scope of the study, significance of the study, and definition of key items that have been used in this research.

1.1 Overview

Society has entered a new era in the relationship between organisation and their employees. In this new era, people are the primary source for a company's competitive advantage and organisational prosperity and survival depends on how the employees are treated. Furthermore, it is critical that companies treat people in ways that make them feel as committed members (Lawler, 2005).

It has been argued that organisations need to be aware of the changing needs of employees and provide flexible work-life balance (WLB) strategies in order to retain their employees. Organisations that seek to increase employee morale, commitment and satisfaction, and reduce sources of stress and problem at work, will improve their ability to recruit and retain talented and valued employees (Cappelli, 2000). Moreover, WLB has emerged as a strategic issue for HRM and key element of an organisation's employee retention strategies (Cappelli, 2000).

In addition, according to Grover and Crooker (1995) there is increasing awareness of the benefits of providing more flexible HR strategies, which reflect the increase recognition of the fact that work and other life commitments cannot easily be separated. As one organisation move towards more participative and flat structures where fewer employees are expected to manage increased workloads (Hall and Ritcher, 1988), the demands of the environment increase, and maintaining the balance between the demands of work and life responsibilities

becomes more difficult. In line with this concern, WLB is an important area of human resource management that is receiving attention from government, researchers, management and employee representatives and the popular media (Pocock, 2005).

Furthermore, the world employees live in and the work employees undertake has changed dramatically over the past 20 years, as have the perceptions of how to deal with these changes. One aspect of organisations that has remained constant is the value of human capital (Ridderstrale & Nordstrom, 2000). Great organisations of the world develop people and equip them with skills and knowledge to be able to manage in this complex world.

Traditionally, work-life balance was seen as an issue for individual employees, with organisational efforts at improving work-life balance focusing on programs aimed to help employees better manage their home life (for example, childcare or counselling). However, with growing awareness of the current skills shortage and war for talent, a subtle shift has been observed in the arguments for work-life balance, from responding to individual employee needs to a broader based business case (Russell 2002; Thorthwaite, 2004). Advocate argue that work-life balance contributes to employee engagement, which in turn contributes to higher productivity and lower organisational turnover.

Hence, the people in the current workforce have greatly changed from years gone by with differing generational attitudes being present and influencing people's views and attitudes of the society they live in. According to Hammill (2005), the current day workplace consists of three generations all working together at the same time, namely: the baby Boomer generation (1946-1964), Generation X (1965-1980) and Generation Y (1981-2000). This situation presents challenges and opportunities for organisations and highlights the needs and ambitions of employees and their managers in attempting to achieve a meaningful existence in their respective work lives (Terjesen *et al.*, 2000; O'Malley, 2000).

Today's workplace consists of 3 different generations:

Table 1.1: Employees' generational differences

Generation	Years
The Baby Boomer generation	1946 - 1964
Generation X	1965 - 1980
Generation Y	1981 - 2000

Source: (Hammill, 2005)

Generational differences represent the set of values that people within the same age group possess. It has been said that these values are formed by a common history that is shared by a generational cohort. This common history includes the experience of major life events such as war, economic recessions, political upheaval and both natural and industrial disaster. In addition, socioeconomic changes can be another factor in developing generationally specific values. Dual career families, geographic dispersion of extended families, and single parent household, are all examples of current trends that have changed the face of the workforce. Therefore, for the purpose of this study, work-life balance and organisational commitment are the main variables for discussion while generational differences are the divided group of employee to see on the interrelations towards those variables.

1.2 Research Problem

As previous generation gradually retire, the new wave of employee: the generational differences employees have become increasingly important. However, existing literature has not clearly explained the effect of generational differences perception of work-life balance on organizational commitment (Young, 2007).

Thus, according to Smith *et al.*, (2000), the transition from viewing work-life balance issues solely as a means of accommodating individual employees with care giving responsibilities to ensure a maximum performance and engagement of employee is an important paradigm shift that is still much 'in process'.

Unfortunately, there is a limited research on how work-life balance practices affect subgroups of employees differently (managers and general employees, those with younger and older children, low wages workers).

In addition, researcher has also identified the lack of strong conceptual framework as a limitation in much work-life balance research (Guerts *et al.*, 2003). Most studies have only relied on role stress theory which purports that participation in one role limits the allocation of resources to other roles.

However, According to Francis and Lingard, 2004 while role stress theory provides a good general framework for explaining work-life balance issues, it does not provide an adequate basis for understanding how or why work-life balance is related to individual, family, and organizational variables. Therefore, the problem statement constitute in this study is "does employees' generational differences affect work-life balance and organisational commitment?"

1.3 Research Questions

The research questions for this study are as follows:

- a. What is the work-life balance status between employees' generational differences?
- b. What is the level of organisational commitment between employees' generational differences?
- c. What is the relationship between work-life balance and organisational commitment of employees' across the generations?
- d. What is the moderating effect of employee's demography backgrounds between work-life balance and organisational commitment?

1.4 Research Objectives

The purpose of this study is to have a greater understanding on the employees' generational differences (the Baby Boomer, Generation X, and Generation Y) and

its influence on work-life balance and organisational commitment. Consistent with this purpose, the objective for this study are as follows:

- a. To identify the status of work-life balance of Kota Kinabalu employees and to determine whether there are significant differences between the three generations.
- b. To identify the level of organisational commitment of Kota Kinabalu employees and to determine whether there are significant differences between the three generations.
- c. To identify the relationship between work-life balance and organisational commitment of Kota Kinabalu employees across the three generations.
- d. To determine the moderating effect of employees' demography backgrounds on the relationship between work-life balance and organisational commitment.

1.5 Scope of the Study

For the purpose of the study, correlation study was applied as this is to investigate the relationships between work-life balance and organisation commitment, in regards to employees' generational differences. The study population are both the government and private sector employees in Kota Kinabalu area. Employees were randomly selected from government and private sectors. Such population are intended to produce greater finding outputs as this can prevent bias of focusing only certain organisation.

The aim was to have up to 130 employees from each generation (the Baby Boomer, Generation X and Generation Y) and to ensure that there were enough employees from each generation to allow meaningful results to be obtained for each group.

Hence, individual was adopted as the unit of analysis. Moreover, quantitative method study was applied to deepen the findings of the questionnaire

which involves the analysis of numerical data and provides precise results. In addition, the time horizon approach is one-shot (cross-sectional) and questionnaire survey was adapted for the purpose of gathering data.

1.6 Significance of the Study

This study is significant endeavour in promoting good work environment in the workplace and motivation of its employees. Thus, this study is beneficial to enrich conceptual of the work-side of work-life issues. Besides, to bring work back into the centre of the theoretical, research, and practical discussions on the interplay between employment and personal life, thus attending to the structure mismatch between job demands and worker responsibilities.

In addition, clearer data on employees' perception can be obtain for the HR manager to play a strategic role in the adoption of strategies which deal with a variety of demands and have potential for significant positive outcomes for the organisation.

In addition, enable company to know whether or not their generational differences of employees are experiencing the ideals level of work-life balance and hence organisational commitment. Moreover, this study is helpful to bring an organisational perspective to work-life integration.

Thus, Greenhaus and Parasuraman (1999) define work-life integration as occurring "when attitudes in one role positively spill over into another role, or when experience in one role serves as resources that enrich another role in one's life." This definition is essentially grounded in a spill over perspective that views relationships between work and personal life in terms of attitudes that individuals carry from one sphere to another. Building on this good work, there may be times when segmentation between work and personal life is a conscious strategy actively pursued by workers.

1.7 Definition of Key Variables in this Study

The meaning and definition of the following key items is clarified in the context of this study for ease of understanding.

1.7.1 Work-life balance

Work-life balance is said to be a 'universal good' as it concern activities that are of social and moral importance. Moreover, having balance between work and family or life outside work is encouraged because it reinforces social values and inclusion and effective functioning of people (Yeandle, 2005; Millward, 2005). This definition does not view balance as universally 'good', but instead recognises that balance can be either positive or negative.

It accommodates the growing understanding that participation in multiple roles can contribute to good mental and physical health so long as the degree of 'fit' between work and family is satisfactory (Marks and MacDerrnid, 1996). Work-life balance is the balance between work and family or life outside work (Yeandle, 2005). Thus, Fisher *et al.* (2003) described work-life balance as a competition for both time and energy between the different roles filled by an individual. It may be considered unbalanced for an individual when the amount of time causes some sort of conflict or stress in other areas of life. Thus, Fisher (2001) identified two dimension of work-life balance, namely:

- a. Personal life interferences with work (PLIW): refers to the extent to which one's personal life interferes with work.
- b. Work interferences with personal life (WIPL): Refers to the extent to which work interferes with personal life.

In the view of employees' generational differences, one characteristic often attributed to younger workers, perhaps more so to Generation X, is their desire for balance between work and life (Karp *et al.*, 2002). As children, Generation X reportedly saw their parents lose their jobs. Thus, despite making sacrifices for their careers and grew up to value a balance between work and life (Kersten,

2002). According to The General Social Survey, National Opinion Research Center (1998) indicated that Generation X worked hard. However, they did not let work interfere with the rest of their lives (Mitchell, 2001). Younger workers were most likely to try not to let work interfere with the rest of their lives. However, older generation, The Baby boomer put aside family/life matters for the sake of his career and was both rewarded by his company and by society for doing so (Lewis and Cooper, 1995).

1.7.2 Organisational commitment

According to Sheridan and Abelson (1983), organisational commitment is the employee's behaviour intention to continually work for the organisation rather than accepting another job that may offer potentially better socioeconomic benefits. Thus, there are three types of commitment (Meyer and Allen, 1993), namely:

- a. Affective commitment: this refers to the emotional attachment to, involvement in, and identification of the employees with their employers.
- b. Continuance commitment: this refers to the extent of which the employees perceive that they have to stay with their employers because the costs of leaving are too high.
- c. Normative commitment: this is the perceived obligation to stay, with some connotations of moral imperatives to do so.

1.7.3 Employees generational differences

The current day workplace consists of three generations, namely:

- a. Baby boomer generation employees: These are individuals born from 1946-1964 (Hammill, 2005).
- b. Generation X employees: These are individuals born from 1965-1980 (Hammill, 2005).
- c. Generation Y employees: These are individuals born from 1981-2000 (Hammill, 2005)