INTRODUCING THE FAMILY-FRIENDLY WORKPLACE: AN ANALYSIS OF ITS EFFECTS ON ORGANISATIONS

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ABSTRACT

Due to demographic and socio-economic trends, employees are facing ever growing tension when seeking to balance responsibilities in their professional and family lives. The coordination of work and family life depends on the interplay of factors at three levels: the social level (national legislation and institutional framework), the organisational level (the practices and policies of employers) and the individual level (the strategies of employees). In this paper, we explore the role of employers in providing a family-friendly work environment. The paper’s main aim is to present the effects of implementing family-friendly practices in a company. The project includes companies in Slovenia that have acquired the Family-Friendly Company certificate. The study shows that employers which support practices to reconcile work and family benefit in different areas: a reduction of staff turnover and sick leave, along with higher productivity, motivation, satisfaction and commitment.

Key words: family-friendly workplace, organisational practices, benefits for the organisation, reconciliation of work and family life, employee satisfaction

INTRODUCTION

Today’s socio-economic, demographic and cultural changes require changes in the organisation of work and thus encourage innovation in public and organisational policies. As a consequence, we are witnessing a general trend of the re-organisation of working time, de-standardisation and the intensification of work associated with promoting flexibility in business strategies and human resource management by employers. This trend can be observed in all industrialised countries, although there are national differences regarding the extent and types of changes that have occurred.

In the labour market we are witnessing a very rapid rise in the activity level of women, especially in countries where their participation was previously low. There is also a growing
number of single-parent families who are facing the time-related challenges of paid work and raising children. Contemporary social views and values are evolving towards more egalitarian gender and parental roles, and are stressing the importance of men’s direct involvement in care activities, including both children as well as elderly family members. These trends are exerting increasing pressure on governments to develop and expand the scope of policies aimed at improving the work life balance of their citizens. However, even more can be done at the organisational level (Kanjo Mrčela & Černigoj Sadar, 2007). In this paper, we explore the role of employers in providing a family-friendly work environment. For some companies becoming a family-friendly workplace is an integral part of their business strategy, while for others it is part of their corporate social responsibility. In both cases, the implementation of family-friendly measures is expected to bring beneficial effects for employees and the organisation (Hall, 1990; Klammer & Klenner, 2003).

The concept of social responsibility is becoming an indispensable part of doing business. Although there are different definitions of corporate social responsibility, the general consensus is that it covers all situations in which the company acts better than is required by the regulatory system, is engaging in activities that bring social good, which goes beyond the interest of companies and is more than what is required by the law (Balboni, 2009; Davis, 1977; Boatright, 1993; Gaspar, 2003).

Socially responsible business practices in recent years have gained a new perspective. They are no longer just about a humanitarian or charitable involvement in various events. They involve the integration of responsibility for different areas in the business environment into the company's strategy. Fields of action include environmental protection, human rights, equal opportunities, health and safety, business ethics, and facilitating the balance of work and family life (Otubanjo, Amaeshi & Olufemi, 2008; Heslin & Ochoa, 2008).

As employers recognise that business success depends largely on the employees, they are showing an increasing degree of social responsibility to their employees, including internal communication, better working conditions, continuous training and education, providing equal opportunities and facilitating the reconciliation of work and family life. If employees experience a serious imbalance in the work-life balance, the employer faces additional costs due to absenteeism, staff turnover, poorer quality work, accidents at work and, even more indirectly, costs arising from employee dissatisfaction, lower commitment to work/business...
etc. It is becoming ever clearer that attitudes to the work-life balance and parenting cannot only be governed by legislation, but we need to also address this at the organisational level (Pärnänen, Sutela & Mahler, 2007; Trbanc, 2007; Raskin, 2006; Bloom, Kretschmer & Van Reenen, 2006).

Employers probably play the most important role in establishing family-friendly company practices because its effects can significantly contribute to improving conditions for employees. The use of family-friendly practices can lead to a *win-win* situation since companies thereby achieve greater organisational effectiveness and employee well-being (The family friendly workplace, 2004; Beuregard & Henry, 2009). The process of developing and implementing such practices involves a two-way process between the employer and the employees, as they together search for appropriate solutions and adapting them to specific situations (Gray, 2002; Levin-Epstein, 2006).

Family-friendly policy is not only an element of an effective HR policy, but an overall business strategy. Both employers and employees must be aware of the strengths and weaknesses of family-friendly policies. There has long been evidence that a family-friendly policy pays off in economic terms. More and more data indicate the financial benefits accruing to employers, the national economy and society in general (Gray, 2002; Rürup & Gruescu, 2005; Walsh, 2005; Woodland et al., 2003).

A family-friendly policy is a solution offering benefits to both the employee and employer: the employee finds it easier to combine their work and family obligations, while employers achieve better business results. It is also important that companies introduce practices that effectively meet the needs and wishes of employees, especially those groups most burdened by having to co-ordinate family and work commitments (Yasbeck, 2004; Kanjuo Mrčela & Černigoj Sadar, 2007). The effects depend on factors such as the company size, sector affiliation, education structure or degree of specialisation needed for specific work skills (Juncke, 2005).

It is recommended that employees become involved in the implementation and evaluation of flexible practices (Gottlieb, Kelloway and Barham, 1998).
Effects of family-friendly measures for employees
Employees in companies with family-friendly practices are more satisfied because they can better coordinate their professional and family obligations (Levin-Epstein, 2006). They are less exposed to stress, burn out, depression and anxiety (Duxbury et al., 1999). Due to the reduced conflict between work and family life, the quality of work and the private lives of employees improve. This result also contributes to the quality of life of their families.

Effects of family-friendly measures for employers
Due to satisfaction with the opportunities to reconcile work and family life, employees feel a greater sense of identification with their companies and their commitment and productivity at work also rise. There is less stress and sick leave. Staff turnover is significantly reduced, there are also reduced costs for searching for new personnel and the costs of educating and training new personnel. The company also finds good support in the public and people prefer to work in it. Consequently, the company has greater choice when it comes to recruiting new personnel and lower costs of advertising and filling vacancies. Satisfied employees work more efficiently and with enhanced quality (Levin-Epstein, 2006), with this being consequently reflected in operating results.

Flexible working hours result in increased productivity and performance (Lewis, 1997). Where there are more flexible schedules, the increase in productivity is stronger (Chow and Keng-Howe, 2006). Companies offering a wide range of family-friendly practices report greater market efficiency, profit and sales growth and organisational effectiveness (Perry-Smith & Blum, 2000). Similarly, Dex, Smith and Winter (2001) report 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 proper balance between them, organisations offering flexible career paths are more attractive to individuals than traditional organisations. Even organisations that offer a flexible career path or a dual career path (with the possibility of preferring one’s career or career and family) are found to be more attractive than organisations that only offer the traditional career path (Honeycutt & Rosen, 1997).
Effects of family-friendly measures for the national economy
The state is interested in family-friendly policies that allow parents to be employed while carrying out their parental roles. The higher rate of working parents as a result of possibilities to reconcile work and family increase government revenue and reduce outflows from it. Employees, on one hand, pay social security contributions and income taxes while, on the other hand, they have less need for social assistance. In addition, this improves the ratio between the active and inactive population (Kanjuo Mrčela & Černigoj Sadar, 2007; Speiss et al., 2002; Rürup & Gruescu, 2005).

The "Family-Friendly Company" Certificate
The basis for introducing the Family-Friendly Company certificate in Slovenia is the "European Family Audit" system developed by the German organisation Berufundfamilie. It is currently used in Germany, Austria, Hungary and Italy. In Slovenia, the procedure for obtaining a certificate was introduced in 2007 by the Ministry of Labour, Family and Social Affairs in partnership with the Ekvilib Institute, which is an audit institution.

The certificate is obtained after completing an audit process whose function is to make an assessment and advise employers which tools to use to better manage their human resources in the context of reconciling the work and family lives of their employees. Through an internal process a company determines which objectives it would like to achieve and then, in co-operation with a consultant from the Institute, selects measures to be implemented. According to the internal assessment and with the help of the external consultant the company introduces solutions to improve the work environment so as to better reconcile the work and family lives of the employees.

AIMS OF THE RESEARCH
The reconciliation of work and private life has recently been put on the list of priority activities for many companies around the world. Many Slovenian companies have started implementing family-friendly practices. Their efforts have been greatly enabled by the »Family-friendly company« certification system in which companies develop their own programme and determine which measures will be implemented in order to create a more family-friendly workplace for their employees.
With the support of a consulting company, companies can choose from a catalogue of 110 family-friendly measures that have been classified in its plan for implementing family-friendly policies. They are classified in eight areas.

The effects of family-friendly policies are expected to be seen at several levels – at the levels of employees, employers, the state and society. The paper’s main aim is to present the effects of implementing family-friendly practices in organisations in Slovenia. We have investigated the expected benefits of implementing such measures in the workplace. In addition, we have analysed the characteristics of those organisations that implemented the measures, analysed which family-friendly policy measures are being given the highest priority and which areas of business activities receive the greatest advantage.

The aims of our research are to:
- identify the characteristics of companies involved in the »Family-friendly company« project;
- identify the characteristics of the employees in companies involved in the project;
- determine how many measures companies have introduced;
- establish which actions and measures are most often implemented and which are the least implemented; and
- determine whether the introduction of measures is influencing selected business areas, as identified in 16 hypotheses.

The main research questions are:
- Is there a correlation between family-friendly policies and the selected indicators?
- In which direction are family-friendly measures and selected indicators related?
- What are the most important (most common) family-friendly measures that affect changes in selected indicators?

The effects were measured by **quantitative indicators**: the level of turnover, the amount of sick leave taken, the amount of absenteeism from work related to caring for a child, the number of people who return after maternity leave, the amount of paternity leave taken, employee productivity, accidents at work, the costs of filling vacant jobs and **qualitative indicators**: efficiency of investment in human resources, recruiting the best staff, retaining
the best personnel, strengthening the family-friendly company image, employee satisfaction, employee motivation, employee commitment, and the burden of stress.

RESEARCH METHOD
The survey covered 32 Slovenian companies that received the »Family-friendly company« certificate in May 2007. This is the first generation of companies to have received a certificate and to systematically start implementing family-friendly measures.

We collected the data for four consecutive years from 2005 to 2008, representing two years before and two years after the introduction of measures. The effects are measured with selected sets of quantitative and qualitative indicators.

With the collected data we sought to test the validity of the hypotheses that were formulated in the context of the main research questions. The hypotheses were tested for dependent groups and with a multiple regression.

Sample
In 2007 the nation-wide project »Family-Friendly Company Certificate« included 32 Slovenian companies. Three companies later withdrew from the project, meaning that the number of firms involved dropped to 29. Completed questionnaires were received from 22 companies, namely 76% of the whole population.

Companies participating in the project have a dedicated in-house project team which oversees the implementation of planned activities in the company. The project team is led by a project leader responsible for the project and for reporting to the Ekvilib Institute which awarded the certificate. For this study the team leader was also the contact person responsible for answering the questionnaire.

Questionnaire
For the purposes of this study a new questionnaire was designed. The preview was also shown to the Ekvilib Institute, which is an authorised provider of the certification process of family-friendly companies.

The questionnaire covers data for four consecutive years, from 2005 to 2008, namely a period of two years before the introduction of the certificate and two years after its introduction. The questionnaire is divided into four sections:
A / general information about the company;
B / the structure of employees in the company;
C / measures taken as part of the Family-Friendly Company Certificate project; and
D / the effects of the measures.
The present study was carried out in the second quarter of 2009.

RESULTS
Firstly, we present how many measures the companies have introduced, which actions are most often implemented and which are the least implemented.

Secondly, we present the characteristics of the companies participating in the project. Assumptions about the relationship between the demographic characteristics of companies and measures were not included in the hypotheses. Therefore, the results are only included as a demonstration of a trend which might exist.

At the end, we examine the hypotheses. These include assumptions about the relationships between the established measures and quantitative and qualitative indicators.

Measures introduced in the project
The »Family-Friendly Company Certificate« project offers a catalogue containing 110 measures proposed by the institution authorised to perform the certification procedures. Regarding these measures, the contents are divided into eight thematic groups including: working time, organisation of work, workplace, information and communication policy, leadership skills, human resources development, leading the structure of pay and performance, and services for families. Some examples of measures are shown in table 1.

Table 1: Some examples of measures the company can introduce

<table>
<thead>
<tr>
<th>Group of family-friendly measures</th>
<th>Examples of measures the company can introduce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working time</td>
<td>Flexible working time, shift work, part-time work, condensed working week, job sharing, extra leave</td>
</tr>
<tr>
<td>Organisation of work</td>
<td>Team work, replacement</td>
</tr>
<tr>
<td>Workplace</td>
<td>Telework, work at home, financial and technical support</td>
</tr>
<tr>
<td>Information and communication policy</td>
<td>Brochures, meetings of employees, open day, PR, interviews</td>
</tr>
</tbody>
</table>
Leadership skills | Social skills, education, 360° analysis
---|---
Human resources development | Interviews, career planning, education, selfmanagement training, stimulating of women
Structure of pay and performance | Compensation for nursing, scholarship, loan, free time activities
Services for families | Counseling, babysitters, kindergarten, vacation offers, rooms for children

The analysis shows that the most frequently selected measures are in the area of information and communication. We found that it is essential for management to give support and openly communicate its positive appreciation of family-friendly practices in the company. By doing this it motivates the employees to take advantage of the company's family-friendly practices, without fear of being discriminated for doing so. Nevertheless, managers themselves should lead the way when it comes to balancing work and family life, thus spreading such a culture throughout the company.

On the other hand, we also identified measures that companies rarely or never implement. In most cases, these measures relate directly to employees and their families, for example offering kindergarten or babysitters etc. Often, introducing such measures is related to a large financial and spatial investment like, for example, opening an in-house care facility for children or arranging a room for nursing and breastfeeding. Another obstacle is the cultural aspect of introducing measures that reach beyond the employee and enters their private sphere. For example, in Northern and Western Europe employers often provide psychological counselling for employees in the event of major family transitions such as divorce or death, while in Slovenia this is still unheard of.

**General data about the companies**
Privately-owned firms make up 82% of companies in our sample. This is encouraging information since it had previously been found that family-friendly measures are more common in the public sector (Babies and Bosses: Balancing Work and Family Life, 2008; Yasbeck, 2004). Previous studies have shown that family-friendly measures in the private sector are subject to informal discussions and decision-making. Yet the results of our research on a Slovenian sample show the opposite and, as such, lay new guidelines in this area leading to greater transparency, consistency and, ultimately, a higher level of implementation of measures.
The majority (56%) of companies in the sample employ mostly professionals. The result is consistent with findings of previous researches, namely that family-friendly policies are more common in companies with a highly educated and highly skilled workforce (Babies and Bosses: Balancing Work and Family Life, 2008). Conversely, in companies with less qualified and a lower paid workforce the impact of family-friendly policies is minor (Konrad & Mangel, 2000). 45% of the surveyed companies employ a predominately highly educated workforce. Such practices are important factors in the retention of highly qualified personnel. Namely, the higher the level of education and the more complex the skills, the more difficult and more expensive is to find and replace a worker. Accordingly, companies are introducing several measures to help their employees balance their professional and private lives and remain with the same company even when their private life requires more time and/or flexibility (like pregnancy, small children, sick or old family members etc.).

Most of the companies that received the certificate are small firms (41%). This is also surprising since small businesses usually have less need for formal arrangements. Previous research has shown that mostly big companies are introducing a family-friendly work environment (Kanjuo Mrčela & Černigoj Sadar, 2007). Their actions are more influential and responsive to institutional pressures. However, we should aim to ensure that small and medium-sized businesses recognise that they can benefit from participation in this process. In smaller companies an agreement between workers and employers concluded on an individual, less formal level is a more common practice. Our results can be seen as a step forward whereby flexible forms of work can be provided to all employees through formal agreements, without regard to the size of the firm.

It is interesting that the project involved more companies (57%) with a predominantly female workforce. This is consistent with previous research results as interest in family-friendly practices is stronger where there is a significant proportion of female employees (Arthur, 2003; Babies and Bosses: Balancing Work and Family Life, 2008).

The respondents indicated the number of employees falling into three age groups: younger than 25 years, from 25 to 40 years and older than 40 years. Three-quarters of the companies in the sample are dominated by the middle age group (25 to 40 years). The result is expected since this is the period when people are planning and creating a family and have pre-school or
primary school children (almost three-quarters of the companies have employees with pre-
school and primary school children). Accordingly, companies with most of their workforce in
child-bearing years are facing stronger pressure to introduce and implement family-friendly
practices. As found by previous research, interest among job-seekers of this age group for
employment in family-friendly enterprises is greater.

Hypotheses testing and results
The proposed 16 hypotheses were divided into three sets, depending on the nature of the
phenomenon and the method of measurement.

The hypotheses in sets A and B were checked with a multiple regression. Hypotheses in the
context of set C were checked with a test for dependent groups. For each hypothesis we
looked for statistically significant relationships; however, we also highlight those
relationships that are very close to statistical significance. We do this in order to represent
trends of changes which might exist.

Set A
Table 2: Results of multiple regression (β coefficients, t values and statistical significance) for
seven dependent variables set in the research hypotheses

<table>
<thead>
<tr>
<th></th>
<th>Working time</th>
<th>Organ. work</th>
<th>Work place</th>
<th>I&amp;C Leadership skills</th>
<th>HR development</th>
<th>Payment &amp; bonuses</th>
<th>Services for families</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>β 0.533</td>
<td>0.509</td>
<td>0.305</td>
<td>-0.641</td>
<td>-0.089</td>
<td>-0.349</td>
<td>0.177</td>
</tr>
<tr>
<td></td>
<td>t-value 1.221</td>
<td>1.247</td>
<td>(1.481)</td>
<td>-0.798</td>
<td>-0.171</td>
<td>-0.635</td>
<td>0.678</td>
</tr>
<tr>
<td></td>
<td>Sign. 0.226</td>
<td>0.216</td>
<td>0.143</td>
<td>0.427</td>
<td>0.865</td>
<td>0.527</td>
<td>0.500</td>
</tr>
<tr>
<td>H2</td>
<td>β 0.651</td>
<td>0.750</td>
<td>0.063</td>
<td>-0.712</td>
<td>0.819</td>
<td>-0.876</td>
<td>0.069</td>
</tr>
<tr>
<td></td>
<td>t-value 1.414</td>
<td>(1.748)</td>
<td>0.292</td>
<td>(1.439)</td>
<td>(-1.484)</td>
<td>0.259</td>
<td>(-1.765)</td>
</tr>
<tr>
<td></td>
<td>Sign. 0.162</td>
<td>0.085</td>
<td>0.771</td>
<td>0.407</td>
<td>0.155</td>
<td>0.142</td>
<td>0.797</td>
</tr>
<tr>
<td>H3</td>
<td>β 0.386</td>
<td>0.640</td>
<td>0.209</td>
<td>-0.360</td>
<td>0.658</td>
<td>-1.052</td>
<td>-0.007</td>
</tr>
<tr>
<td></td>
<td>t-value 0.741</td>
<td>1.317</td>
<td>0.858</td>
<td>-0.374</td>
<td>1.020</td>
<td>(-1.588)</td>
<td>(-1.941)</td>
</tr>
<tr>
<td></td>
<td>Sign. 0.461</td>
<td>0.192</td>
<td>0.394</td>
<td>0.709</td>
<td>0.311</td>
<td>0.117</td>
<td>0.982</td>
</tr>
<tr>
<td>H4</td>
<td>β 1.095</td>
<td>0.740</td>
<td>0.288</td>
<td>-1.038</td>
<td>0.276</td>
<td>-0.790</td>
<td>0.294</td>
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<tr>
<td></td>
<td>t-value 2.527**</td>
<td>(1.789)</td>
<td>1.400</td>
<td>-1.281</td>
<td>0.535</td>
<td>(-1.467)</td>
<td>1.126</td>
</tr>
<tr>
<td></td>
<td>Sign. 0.014</td>
<td>0.078</td>
<td>0.166</td>
<td>0.204</td>
<td>0.594</td>
<td>0.146</td>
<td>0.264</td>
</tr>
<tr>
<td>H5</td>
<td>/</td>
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<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td>H6</td>
<td>β 0.097</td>
<td>0.285</td>
<td>0.096</td>
<td>-0.405</td>
<td>-0.442</td>
<td>0.159</td>
<td>-0.009</td>
</tr>
<tr>
<td></td>
<td>t-value 0.195</td>
<td>0.615</td>
<td>0.415</td>
<td>-0.440</td>
<td>-0.721</td>
<td>0.250</td>
<td>-0.031</td>
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<tr>
<td></td>
<td>Sign. 0.846</td>
<td>0.540</td>
<td>0.679</td>
<td>0.661</td>
<td>0.473</td>
<td>0.803</td>
<td>0.975</td>
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<tr>
<td>H7</td>
<td>β 0.724</td>
<td>0.355</td>
<td>0.254</td>
<td>-0.692</td>
<td>0.362</td>
<td>-0.960</td>
<td>0.418</td>
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<td></td>
<td>/</td>
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</table>
### H8

<table>
<thead>
<tr>
<th></th>
<th>t-value</th>
<th>Sign.</th>
<th>β</th>
<th>Sign.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1,484)</td>
<td>0.142</td>
<td>0.557</td>
<td>0.146</td>
</tr>
<tr>
<td>t-value</td>
<td>0.778</td>
<td>0.439</td>
<td>-0.151</td>
<td>0.672</td>
</tr>
<tr>
<td>Sign.</td>
<td>1.122</td>
<td>0.265</td>
<td>0.191</td>
<td>0.072</td>
</tr>
<tr>
<td>Degree</td>
<td>-0.766</td>
<td>0.660</td>
<td>-0.547</td>
<td>0.439</td>
</tr>
<tr>
<td>p-value</td>
<td>(-1.543)</td>
<td>(1.461)</td>
<td>-2.056*</td>
<td>(1.461)</td>
</tr>
</tbody>
</table>

Legend: * statistical significance at p<0.05  
** statistical significance at p<0.01

### H1 - The introduction and implementation of family-friendly policies in the company reduces the staff turnover rate.

In the analysis we found a trend that is negative in time. This means that the turnover rate decreases in time. We also found that none of the individual groups of measures is statistically significantly correlated with the degree of fluctuation, at either the 5% or 1% level of risk.

However, we highlight one of the groups of measures which is close to statistical significance. This is a group of services for families including counselling, childcare and vacation offers. The relationship is negative. It turns out that the more a company has introduced measures in this group, the lower the turnover rate was with a two-way level of statistical significance of 0.08, which means a one-way level of 0.04, which is already within the field of significance. Given that the sign of the coefficient is expected to be negative, we can confirm that the introduction of services for families reduces staff turnover.

### H2 - The introduction and implementation of family-friendly practices in the company reduces sick leave.

Using a multiple regression we observe a negative trend over time. While not statistically significant, in the years 2005 to 2008 we are witnessing a trend of reducing the amount of sick leave taken.

Otherwise, none of the groups of measures proved to be statistically significant. Similar to the first hypothesis, we can highlight some of the groups that are close to statistical significance.

First, there is negative link between introducing services for families and the amount of sick leave taken. The more a company has introduced measures in this group, the lower the amount of sick leave used, again at the 0.08 level (two-way) and 0.04 level (one-way). The sign of the coefficient is negative and we can accept the H2 hypothesis. As mentioned, family-friendly practices that fall in this category measures are most directly related to the
employee and their family members (children and parents). Apparently, the company can greatly benefit by assisting its employees by offering counselling or room for children on the company premises where they can spend some relevant time as this will apparently reduce the need to use sick leave due to meeting family responsibilities.

The second group of family-friendly measures includes the development of human resources. The link with the amount of sick leave taken is negative. The more measures a company has introduced in this area, the lower was the sick leave used. The measures in this group include interviews, maintaining contacts, planning individual programmes for employees, career development etc. and have a fairly direct impact on the employees. Introducing such practices enables employees to cope better with stress due to conflicting family and career responsibilities and hence employees use less sick leave.

The third group consists of measures related to leadership skills like, for instance, leading by example or social skills. They are positively correlated with the amount of sick leave taken. It is hard to believe that an investment in managers' skills has negative effects on the amount of sick leave used. However, we believe that the effects of developing soft interpersonal skills only show their effect in the long run and were thus not evident in our study. Over time when we begin to see observable effects of developing the leadership skills of employees, we may expecting a reduction of sick leave taken and thereby demonstrate that the investment in management and leadership skills has a negative association with the amount of sick leave taken.

**H3 - The introduction and implementation of family-friendly measures in the company reduces the time taken off to care for a child.**

Our data reveal a positive trend over time as the amount of time taken off for caring for a child increases in time. The growth is not statistically significant, yet it is worth considering the reasons behind it. The starting point for reflecting on this is relatively basic information, namely that in recent years more children have been born in Slovenia (Basic data on births 2004-2007), consequently increasing the overall amount of time taken off for caring for a child.
Looking at the relationship between introducing family-friendly measures in a company and the amount of days employees are absent for child-care related reasons, none of the groups proved to have a significant influence on the amount of time taken off to care for a child.

Two groups of measures were close to statistical significance. These groups are services for families and staff development. In both cases there is a trade-off, which is consistent with our hypotheses: the more companies introduce measures from the group called services for families, the less they experience child-care related absences from work. The same applies to the area of staff development: the more the measures that focus on individual employee development, creating concrete solutions for the individual, the less they need to be absent from work in order to care for their child. Here companies can benefit by offering co-operation with an institution providing childcare or arranging a playroom for kids.

**H4 - The introduction and implementation of family-friendly policies in the company reduces the number of accidents at work.**

Two groups of measures are statistically significant. The first is services for families, which are the most directly connected to the employee and care for their family members. The link is negative, which means that the more measures in this area have been introduced, the fewer the work-related accidents involving employees. When a company offers assistance and support to its employees regarding their family responsibilities, employees in the workplace are less concerned, more focused, mindful and vigilant and thus fewer accidents happen.

The next group of measures showing a statistically significant relationship with the number of work-related accidents is related to working time. The link between the two is positive. Thus, the more the measures taken in this group, the greater is the number of casualties. The measures in this group mainly relate to the organisation of working hours within a work process. If we look in detail at those measures within a group, we can find an explanation for this positive relationship. The measures include double shift work. How employees view shift work is very important. From previous research we know (Wallace, 2002) that in certain circumstances this measure is only employer-friendly (so-called forced labour flexibility) and is unpopular among workers, perceived as a forced way of working. If so, then it may be due to increased stress, frustration, burden, carelessness that the amount of accidents increases. Shift work can become a friendly action when it relates to the needs of the worker, for
example an individual change within a shift or an adjustment of shifts regarding family obligations (so-called voluntary labour flexibility).

Set B

H6 - The introduction and implementation of family-friendly measures in the company increases the number of employees who return to work after maternity leave.

When testing hypothesis H6 none of the groups of measures had a statistically significant relationship with the number of employees who return to work after maternity leave. Further, none of the relationships were close to statistical significance. However, since 2005 we have observed a positive trend in time as a growing number of mothers have returned to work after completing their maternity leave.

H7 - The introduction and implementation of family-friendly measures in the company increases the amount of paternity leave taken.

Among the measures analysed here, only one had a statistically significant relationship with paternity leave, namely the group of family-friendly measures offering services for families. However, this relationship is negative. So when fathers are offered more services for families, there is less need to use the options provided via public policies. This is easier to explain if we look at it from the other side. The less family-friendly measures are introduced in the company, the greater the need for employees to use options offered by the state like paternity leave.

In many work environments there is still a prevailing perception that men have less of a need to balance their private and professional lives and that they have fewer family responsibilities. Consequently, men are often discriminated when it comes to measures available for the effective co-ordination of work and family life. In environments where it is expected that men prioritise work ahead of their family, male employees use their regular holiday leave even when they are actually absent due to family commitments like childcare. This reduces the chance that they would be perceived as less committed to the job, less co-operative, less accurate, even though they have the same work-related performance as their colleagues. If male employees perceive that taking advantage of family-friendly measures offered by the company will threaten his career progress, they would usually be reluctant to use them.
Among the tested groups of family-friendly measures, we now briefly discuss the three groups that did not prove to have a statistically significant effect on the use of paternity leave, but almost had one. These are groups of measures related to working hours, staff development and the structure of payments and bonuses. We mention the last one, which is positively correlated with the amount of paternity leave taken. So if there are financial incentives or financial assistance (e.g. receiving the same salary), then the frequency of taking paternity leave is higher. Conversely, if there is no such financial assistance then the amount of paternity leave taken is also lower. Taking paternity leave may affect the financial income of the employee and his family. It might also involve a long-term threat to the worker's career promotion chances, which is again associated with reduced financial resources in the long term. It is obvious that in such cases fathers do not risk taking paternity leave.

**H8 - The introduction and implementation of family-friendly measures in the company increases productivity.**

The trend is positive in time, although not statistically significant. The productivity of the observed companies has been rising since 2005.

Among the family-friendly measures introduced in the analysed companies we found a statistically significant positive relationship with productivity in the group of measures related to offering services for families. These include childcare or services in urgent cases and are such most directly related to employees and their families. This finding is very encouraging since productivity is a direct economic indicator and a basic measure of economic success. These results can be used in corporate reports for various external stakeholders, proving that there are clear economic benefits of introducing family-friendly measures in the company. It demonstrates that being a family-friendly company is not just about being socially responsible to stakeholders but also to the shareholders.

We briefly highlight another group of family-friendly measures. The group of family-friendly measures related to working time is positively correlated with productivity. When an employee is able to organise his/her working time, that will positively affect their productivity. Previous studies have shown (Shepard et al., 1996) that employees tend to organise their work in the period of their personal maximum productivity (peak hours). When workers have the opportunity to work according to a flexible schedule, they tend to be more productive (Baugham et al., 2003). The same effect emerged in our study, proving that
allowing employees to have a flexible schedule can help them better balance their family and job-related responsibilities, but at the same time also increase their productivity at work.

Set C
Companies assigned a value from the 1 (the condition in the given area has deteriorated greatly) to 5 (the condition in the given area has vastly improved). Value 3 represents the median value (the situation has neither improved nor worsened). Hypotheses in this context were checked with a test for dependant groups at a test value of 3.

Table 3: Mean values, t values and statistical significance for eight hypotheses

<table>
<thead>
<tr>
<th>Area</th>
<th>Mean</th>
<th>SD</th>
<th>Degree of freedom</th>
<th>T value</th>
<th>Stat. sign.</th>
</tr>
</thead>
<tbody>
<tr>
<td>H9 Return on investing in people</td>
<td>3,56</td>
<td>0,612</td>
<td>18</td>
<td>4,61**</td>
<td>0,000</td>
</tr>
<tr>
<td>H10 Recruitment</td>
<td>3,47</td>
<td>0,697</td>
<td>18</td>
<td>3,38**</td>
<td>0,003</td>
</tr>
<tr>
<td>H11 Retention of employees</td>
<td>3,53</td>
<td>0,511</td>
<td>17</td>
<td>3,29**</td>
<td>0,004</td>
</tr>
<tr>
<td>H12 Image of family-friendly company</td>
<td>4,00</td>
<td>0,767</td>
<td>17</td>
<td>5,53**</td>
<td>0,000</td>
</tr>
<tr>
<td>H13 Satisfaction</td>
<td>3,61</td>
<td>0,608</td>
<td>17</td>
<td>4,27**</td>
<td>0,001</td>
</tr>
<tr>
<td>H14 Motivation</td>
<td>3,56</td>
<td>0,616</td>
<td>17</td>
<td>3,83**</td>
<td>0,001</td>
</tr>
<tr>
<td>H15 Commitment</td>
<td>3,74</td>
<td>0,562</td>
<td>18</td>
<td>5,72**</td>
<td>0,000</td>
</tr>
<tr>
<td>H16 Burden of stress</td>
<td>2,94</td>
<td>0,639</td>
<td>17</td>
<td>-0,37</td>
<td>0,717</td>
</tr>
</tbody>
</table>

Legend: ** statistical significance at p<0,01

H9 - The introduction and implementation of family-friendly measures in the company increases the return on investing in people.
Given the average rating of 3,6 we can claim that the situation has improved in this area. Like with past research, our results can also be interpreted by the theory of social exchange. Staff are motivated to pay back the input of the organisation with his stake of through more motivated and diligent work for the organisation.

H10 - The introduction and implementation of family-friendly measures in the company improves the recruitment of new employees.
The companies reported that, after introducing family-friendly measures in their organisation and receiving the nationally recognised certificate as a family-friendly company, they were experiencing an improvement in the recruitment of new employees. This is advantageous since companies cannot survive a long-term deficiency of human resources.

An improved recruitment process is also related to cost-effective procedures. As our respondents explained:

- the company does not need to repeat ads for the same vacant position because the most suitable candidates apply first;
- the company needs to advertise job openings in less media forms; and
- the selection process becomes shorter and more effective because the candidates are more responsive.

**H11 - The introduction and implementation of family-friendly measures in the company improves the retention of employees.**

As expected in this hypothesis, in addition to assisting with the acquiring of new staff the retention of existing staff also improves. Employees usually consider potential new job opportunities from several angles. In addition to financial incentives, they also weigh up the opportunity costs of losing the benefits of the existing job. If their current employer offers several family-friendly measures compared to a prospective new job that does not provide any or fewer of such measures, this could be a decisive factor for deciding to stay in one’s current job. For example, if the current job offers on-site child care most parents will be reluctant to change their job as this would also mean they need to find and introduce their child to a new day care facility.

There are also important cost savings arising from the better retention of staff. A reduced staff turnover also means lower costs of:

- finding new staff (advertising, selection process etc.);
- introducing, training and educating new employees; and
- lower productivity, morale and efficiency which occurs when a worker leaves and is not replaced by someone else.
Summing up the results of testing hypotheses H10 and H11, we may say that the demographic characteristics of the workforce are changing, which is why companies need to be able to attract new employees and retain existing ones better. When a company offers its employees more than is enforced by the law, it creates a competitive advantage. It attracts quality staff and does not lose it other employers offering better working conditions.

**H12 - The introduction and implementation of family-friendly measures in the company improves the image of a family-friendly company.**

Our research shows that the family-friendly image of the business has improved. The project of introducing family-friendly company certification to Slovenia has gained a lot of media attention as this was the first effort to systematically encourage and lead companies and other organisations to introduce family-friendly practices. The project was also supported by the Ministry of Labour, Family and Social Affairs, which gave it certain credibility. Accordingly, there was an overall positive response in the general and professional public. The companies participating in the project are systematically using the logo of the project in all their ads for job vacancies and they are increasingly including the message of being a family-friendly employer in their overall marketing strategies.

**H13 - The introduction and implementation of family-friendly policies in the company improves employee satisfaction.**

Based on our results (average rating of 3,6), we can confirm hypothesis H13 at the 0,01 risk level. The increased employee satisfaction suggests that the introduction of family-friendly measures in the company enables employees to successfully manage and balance their family and professional responsibilities.

**H14 - The introduction and implementation of family-friendly measures in the company improves motivation.**

Based on the results, we can confirm hypothesis H14 at a risk level of 0,01 with an average rating of 3,6. It is very positive that the companies indicated the stronger motivation of their employees. Motivation is a key element of the individual’s drive to achieve major objectives and maintain appropriate standards in their work.
H15 - The introduction and implementation of family-friendly measures in the company increases the commitment of employees.

Based on the results, we can confirm hypothesis H15 at a risk level of 0.01 with an average rating of 3.7. We encountered the increased commitment of employees, as well as their increased emotional attachment to the company, which means they more strongly identify with their workplace and the company.

The three above areas (satisfaction, motivation, commitment) are usually covered by questionnaires measuring the organisational climate in organisations. If firms have established a systematic way of inquiring into the organisational climate (annual, semi-yearly etc.,) they can successfully monitor changes in these areas too. We suggest that companies that do not yet monitor these areas start systematically collecting these important data.

H16 - The introduction and implementation of family-friendly policies in the company reduces the burden of stress.

The assumptions in this hypothesis cannot be confirmed. The average value of the responses are not statistically significantly different from the mean value. So companies here agree that the degree to which employees are burdened by stress has neither increased nor decreased. Quite a few companies in the questionnaire commented that the results for stress levels have also been affected by increased pressures due to the economic crisis. We suspect that the financial crisis has reduced or eliminated the potential positive impact of many family-friendly measures introduced in the companies. Many respondents believe that if the crisis had not influenced the economy as badly as it has, there might be substantial positive effects on reducing stress levels.

CONCLUSIONS

We found that the companies involved in the project are largely small firms (in terms of the number of employees). This is very encouraging since small companies generally have a practice of engaging in more informal discussions. Such a project provides transparency and consistency and in particular the equal treatment of employees in meeting their needs to coordinate their work and family lives. The analysis shows that most companies which had received the family-friendly company certificate have a higher proportion of female workers. Companies with a predominantly female workforce have a greater tendency to systematically approach the topic of the work-life balance and introduce family-friendly practices since
women are those who feel a stronger frustration when they face an imbalance of work-related and family responsibilities. In addition, we found that the recipients of the certificate predominately have a highly educated workforce, which was expected as companies with highly skilled staff can benefit the most by introducing family-friendly measures.

Further, most participants in the project are companies that employ workers aged 25 to 40 years. This is the period of creation of a family, living with young children and when the need for the co-ordination of private and professional spheres is greatest. This corresponds to the fact that most of such employees have children in preschool and school. So the need to implement family-friendly measures is particular high for them.

The data analysis shows that in most cases the group of services for families which includes services like counselling, child care, babysitters, vacation offers and spaces for children in the company is statistically significantly related with the observed variables. In the case of staff turnover, the amount of sick leave taken, the amount of child-care related leave and the number of accidents at work there is a negative relationship. We may conclude that, in accordance with the assumptions in the hypotheses, services for families lead to a reduction of these phenomena. Next, the relationship of these measures to productivity is positive. In this case, we also confirmed the research hypothesis. In companies that implemented several services for families, we found a higher level of productivity. Surprisingly, in the case of paternity leave provided at the state level in Slovenia the relationship with measures introducing services for families is negative. The presence of family-friendly organisational policies is related to the lower use of public policy measures provided for fathers.

When investigating measures we should also keep their limitations in mind. Introducing one family-friendly measure in itself does not necessarily predict a positive effect. If a measure has a positive effect in one company that does not mean it will have the same effect in another company. It could be the opposite or non-existent. It is therefore important that companies choose measures which are adapted to the employer’s characteristics and the characteristics and needs of employees.

Rather than introducing isolated measures it is better to introduce them to a company as part of a package. The effect of several measures introduced together is usually greater than the sum of the effects of each individual measure. It is also very important to implement a sufficient number of measures and that they are tailored to the company and its employees.
Companies should ideally constantly evaluate the effects of measures and accordingly abandon inappropriate ones and introduce new ones as required. Balancing work and family responsibilities is a dynamic process that changes as the participants in this process are changing.

There are also some limitations of this study which should be considered when applying the findings in practice. First, this study involves a small sample of companies, which is due to the small population size. This may be the reason that the relationships were frequently not statistically significant. However, when a significant relationship has been demonstrated, we still have to interpret the results carefully. Next, the companies have been involved in the project for a only relatively short time and, as one respondent, put it "The effects of those measures are not yet visible to the short period". It is just two years since the companies have started to systematically introduce the family-friendly measures and, for a long-term project like this one, more time will be needed to observe the whole spectrum of effects. However, our study highlights those trends that are already evident. Is also necessary to choose an appropriate time for conducting the study. For example, we can only guess whether a company abandoned some socially responsible actions because of the economic crisis. Perhaps due to rising unemployment in the country employees are not fighting so hard for their rights concerning the reconciliation of work and family life. We must be aware that only one person from each company participated in this study. Future research could include all employees or a representative sample of employees in the survey. Of course, in this way we would obtain feedback from a wider organisational perspective, which would certainly influence the analysis, interpretation, application and synthesis of the results.

These constraints point to some opportunities for further research. We are planning the longitudinal monitoring of the certification project. We may anticipate the need for an international comparison of the measures and their effects.

There is thus a great need to develop a long-term research project and establish a system for identifying, monitoring, measuring and reporting to determine the social impact and the variables that ensure the success of a family-friendly policy in companies.
REFERENCES


