

Work Organization and Work-Life Balance in the BPO Sector

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Abstract- This paper is an attempt to contribute to existing literature on work-life balance in general and the Business Process Outsourcing (BPO) industry in India in particular. In light of the work organizations in BPOs and resulting outcome that employees in their daily efforts within the industry, the significance of the issue of work-life balance should be stressed. Moreover, the conflict between work demands vis-à-vis personal and family needs is needed to be delved into in order to have sufficient institutional support at the employer, more so at the governmental level. This paper is an attempt to contribute to literature in three ways. First, it takes a critical look at the workplace setting and organization in BPOs. Second, the research examines the different benefits in BPO companies and if employees perceive them to foster work-life balance. Lastly, it discusses the recommendations from the BPO workers themselves in how to limit and alleviate the work-life disconnect and promote genuine work-life balance.

I. INTRODUCTION

Business Process Outsourcing (BPO) is a developing industry that is receiving significant attention from all other sectors such as government, business, as well as from the academe. BPO is basically formulated to outsource processes to a third party that are not core to a company but are necessary in its everyday operations. India has the most number of BPO companies in the world and consequently the most studies and researches made on this subject. With the sustained growth of this industry, BPOs are now receiving considerable academic attention dealing with multiple aspects like work conditions, organizational environment and specific organization and work-related issues.

II. BPO WORK ENVIRONMENT AND ORGANIZATION

General organizational and work environment in BPOs are largely different from traditional organizations as “the customer-oriented nature of work often challenges the traditional conceptions of control and coordination” (Tripathy, 2006: 3). It is fast-paced with a 24/7 operations leading to “possibilities for novel modes of conceptualizing and organizing work, leading to discernible changes in work cultures” (Tripathy, 2006: 3).

Generally, organizational culture is highly informal; management and employees work together closely within participative decision-making and collaborative team-based organizational context. BPO organizations are inclined to high-performance and high productivity work team principles and tools; they subscribe to inclination towards operational and

service excellence – promoting initiatives like total quality standards, Six Sigma, Customer Operations Performance Center (COPC) standards, Capability Maturity Model Integration (CMMI), and the like. Taylor et al. (2002) succinctly conveyed that in this work setting: “powerful implicit expectations of acceptable and output levels are embedded in the culture of each workflow, with managers and particularly, team leaders applying performance norms.” These performance norms further reinforced in day-to-day operations even in individuals work practices. For example, Tripathy (2007:3) recalling a usual phenomenon in BPOs: “the entry of employees is strictly restricted to their work area and common spaces earmarked for recreation and refreshment...during the working hours, punctuality and admissible breaks are tracked continuously through computers... free time is limited... the structure prevents them from too many toilet and coffee breaks.” The interplay between an informal workplace setting and the extreme rationalization of work makes the work environment appealing but at the same time confining and limiting to the BPO employees.

Currently BPO companies employ around 200,000 human resource across the country with at least one hundred twenty (120) BPO organizations – most of which are Call Centers; employment is estimated to grow to 900, 000 in 2010 (BPA/P, 2006; Shameen, 2006). BPO companies foster the latest global human resource models and practices in strengthening management-labor relationships and work force empowerment. In terms of recruitment, competency based assessment and behavioral assessment is stressed; workplace readiness and job fit is emphasized as new recruits usually receive 15-20 days training prior to start of work. High emphasis on people and talent development resulting in high level of activity and investments in training and coaching at all levels; companies spend an average of 21,000 - Php28, 000/year per employee for training and development (BPA/P, 2007). Every employee has a performance plan and career development plan; internal promotion is highly practiced, and promotion is based solely on merit and performance. Most of the Team Leaders and Supervisors rose from the ranks; on the average BPO supervisors and managers are within the age of 25-30 years old.

III. WORK-LIFE BALANCE

Maintaining work-life balance has been the focus of industries’ human resource practitioners amidst the demanding nature of work and the workers’ personal endeavors in the age of information and technology. The fast-paced life, the instant

accessibility of almost anything does not put the individual in a more lax state; instead it pushes the person to do more with the seemingly more time in his/her hands. The individual engages himself/herself with more activities in and out of the office than usual as this seems to be supported by the adoption of flexibility measures in the workplace. The availability of technology anywhere which aids in the connectivity of people 24/7 further delineates the boundaries between work and personal life.

Work-life balance "is the stability characterized by the balancing of an individual's life complexity and dynamism with environmental and personal resources such as family, community, employer, profession, geography, information, economics, personality, or values" (Crooker et al, 2002: 389). The linkage of work and personal aspect of lives has always been emphasized (Bruck et al., 2002; Gibson, et al., 2006). Gibson et al. (2006: 197-198) offered two explanations regarding the interconnectedness of work and life in the organizational setting: (1) the compensation effect implies that employees tend to compensate for low work or personal life satisfaction by seeking contentment in the other domain; and (2) the spillover view that indicates that job satisfaction spills over into one's work life and vice versa.

Work-life balance is different for every individual in different stages of life. An individual who is fresh out from college and single would have a different notion of work-life balance compared with an individual who may be single but have certain 'obligations' to his/her family and again different for a married individual with kids, more so for single parents. According to Johnson (2005) the employees' age, lifestyle, and environment play important role in one's perception of work-life balance. The conflict between work and family spheres is also considered especially when there is role conflict and strain (Friede and Ryan 2005; Kossek and Lambert 2005); added to this is the productivity requirements in the workplace that often interferes with family responsibilities of individuals employed in sectors relying heavily on shift work (Williams 2008).

IV. WORK-LIFE BALANCE PRACTICES AND PROGRAM

Studies suggest that employee morale, satisfaction, and performance are improved among employees who have received work/life programs such as onsite child care, time for elder care, opportunity to study, opportunities for telecommuting as these reduce the level and intensity of stress that employees experience (Bruck, et al., 2002; Harmon, 2001; Garvey, 2001; Gibson et al., 2006). Consequently, organizations are paying more attention to work and personal/family life-friendly programs, and are developing other benefits and activities that may help alleviate workplace stress and conflict between work-life. Thompson (2002) classified these work-life initiatives into five (5) categories namely, (1) Time-based strategies like flexi-time, telecommuting and job sharing; (2) Information-based strategies like relocation assistance, elder care resources, company work/life balance intranet; (3) Money-based strategies like leave with pay, scholarships for dependents; (4) Direct services like onsite childcare, concierge services and takeout dinners; and (5) Culture-change strategies like training or focus on employees' performance not office face time.

V. BPO AND WORK-LIFE BALANCE

With its 24/7 operations BPO companies has higher turnover rates compared to most other industries in . In a recent study, Hechanova (2008) explained that 1 of 2 call center representatives has turnover intent; this turnover intent is associated with age, career commitment, burnout, satisfaction with pay, boss, promotions, job responsibilities, firm management and promotions. Given the results of the research, she recommended that call centers and BPO companies should ensure effective rewards management, helping employees find the right fit and rethinking job design, as well as provide fun atmosphere and Employee Wellbeing Programs. Work-Life Balance in Philippine BPO organizations, are seen in these terms focusing on the extent to which benefits are not only commensurate and competitive but are also relevant to the needs of employees. Moreover, as BPO employees belong to fairly young age group, a supportive workplace and fun work environment is imperative to address the work-related stressors (Hechanova, 2008).

VI. OBJECTIVES OF THE PAPER

Against this background, the overarching goal of this study is to examine the work organization and work-life balance of BPO workers Specifically, the paper intended to address the following research problems:

1. What is the general work organization of BPOs?
2. What are the available benefits and programs for the BPO employees? Do these existing benefits and programs promote work-life balance?
3. What is the BPO workers' perception of their work-life balance condition in their respective organizations?
4. What do BPO workers want to achieve in terms of work-life balance?

VII. SCOPE AND LIMITATION

As in all research, this study had its strength and limitations. One of its strength is the used of mixed method approach obtaining both qualitative and quantitative data. Moreover, unlike other studies, respondents and key informants came from different BPO sectors with different positions and work roles.

Another limitation of the study is the sample. This is limited only to the sixty-three (63) survey respondents and three (3) key informants of the in-depth interview. In fact, for this study, the researchers found it difficult to gain permission from the Human Resource Department of the different BPOs; the seeming hesitance and not being open to research may stem from their implicit concern that the responses may be construed as official responses of their own organizations, as well as revealing existing benefits and programs may negate the human resource departments' competitive advantage over other companies especially with the growing problem of the inadequacy of a talent pool for the BPO industry. Because the study focused on worker conditions, the researchers did not expand participation of administrators and executives in BPOs. The nature of the information and responses obtained from respondents were

affected by participants' openness and willingness to respond. Some respondents were reluctant to answer questions related to monetary benefits and their level of satisfaction with the work organization.

One of the proponents is an employee of a BPO; hence, may be deemed biased towards the plight of the BPO workers.

VIII. SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

This summarizes the results of the study and form conclusions based on analysis and interpretations made. Finally, practical and academic recommendations were formulated.

IX. SUMMARY AND CONCLUSIONS

This study delved into the work-life balance and work organization in the business process outsourcing sector. Specifically, the study would answer the following: (1) What is the general work organization of BPOs?; (2) What are the available benefits and programs for the BPO employees?; (3) Do these existing benefits and programs promote work-life balance?; (4) What is the BPO workers' perception of their work-life balance condition in their respective organizations?; and (5) What do BPO workers want to achieve in terms of work-life balance?

As various studies have shown (Broek et al, 2004; BPA/P, 2007; Grozman, 2005; Hechanova, 2009; Russel, 2002; Sharmeen, 2006; and Tripathy, 2006), work organization in the BPO sector composed of unusual work schedule, overbearing and irate callers, excessive work targets, and daily quality assurance and service performance measurements; workers are deemed to be most exposed to burn-out and other stressors compared to their contemporaries in different industry.

Results showed that most BPO companies employ high-caliber compensation and benefits packages for its workers and may be perceived as pioneer in work-life balance advocacy. Money-based strategies they offer surpassed those of other sectors as this comprised of meal and transportation allowances, performance incentives and bonuses, salary increase, overtime and night differential pays, and other bonuses. Moreover, their non-monetary benefits in the form of leaves with pay, HMO and health programs, flexible schedules, off-setting, opportunity to negotiate part time work, bedroom or sleeping quarters, health programs, career leaves and breaks, study/training scholarship and subsidy, early retirement, club membership and cultural/religious leave.

With the existence of the different benefits and programs, respondents perceived that these are sufficient to foster work-life balance. HMO and health programs ranked highly as benefits that promote work-life balance, this may be ascribed to the health risks involved in BPO settings as well as the importance of being healthy and health-related concerns to the employees. Paid paternity/maternity/career leaves and breaks, as well as flexible work schedules – like flextime and offsetting - are commonly considered as also important in promoting work-life balance as these may contribute to time spend with the family.

Findings revealed that most of the respondents experienced difficulties in work-life balance. A thin demarcation in terms of percentage separates those who encounter problems in terms of their personal life against their workload and those who are not. Schedules for studies and family sometimes are impeded by work schedules. In terms of family life, majority of the respondents did not experience difficulty in adjusting their family life; still some admitted having difficulty in managing time with the family and the demands of their work.

Majority of the BPO employees expressed the need to increase their monthly salaries and other benefits. More than tangible work-life programs and policies, data disclosed that BPO workers still are more focus on what they can get from their companies - like car plan, study/training scholarship, career breaks, exercise facilities, early retirement, and flexi time; this may imply that compensation and benefits are still seen as important to the BPO setting as means to outweigh the demand of the workload and help alleviate the working conditions.

X. RECOMMENDATIONS

Based on the results and the conclusions of this study, the following recommendations were formulated:

Institutional and Policy Recommendations

Results revealed that, despite of the relatively high compensation package, the different benefits they enjoy, and the various programs the companies offer, the integration of work-life balance in the respective BPO organizations is essential. More on improvement of the compensation and benefits structure of the BPO companies, the organizations should examine existing work-life policies and programs vis-à-vis workload and general working conditions.

There is a need to review the existing policies and thrusts of Department of Labor and Education and the government in general in terms of work-life balance policies and legislature. The government should rethink its role, especially in the monitoring of BPO companies to further protect the BPO workers.

Finally, the existence of work-life balance programs, policies and initiatives at the organizational level is significant but not necessarily sufficient. Guidelines established at the governmental, industry and sector levels, as well as the ability of individuals to capitalize on existing work-life balance programs have to be connected. BPO workers have to be knowledgeable about, and appreciative of, policies provided at the organization level, and should continue to protect their welfare. At the same time, there may be evidence that organizational climate and environment often curtail policy developments on the governmental level by being generally unsupportive of employees beyond their legally established rights. Consequently, accomplishing work-life balance is a complex issue that requires the interaction and cooperation of social actors at national, governmental, organizational, as well as the individual-worker level.

XI. RESEARCH RECOMMENDATIONS

Work-Life Balance in the BPO industry, and the different BPO sectors, will take on greater importance. What follows are initial thoughts for empirical investigations in the domain of Work-Life Balance in BPOs. Accomplishing this may necessitate interdisciplinary collaboration, and an expansion of research methods such as large-scale surveys, multi-site case studies, cross-group analysis, and evaluation studies.

Important limitations of this paper is the use of only three (2) cases in depth and less than fifty respondents, which made it difficult to draw strong generalizations. This study certainly enhanced our understanding of knowledge different benefits and work-life balance practices in BPOs, but future empirical work that includes multiple units and utilized mixed-method research in a grander scale with more organizations and across other sites. Other stakeholders like managers, executive as well as families of BPO workers can be identified as respondents for future study to further understand this phenomenon.

Another limitation is the focus on work organization and work-life balance in the BPO setting. There are reasons to believe other types of employee relations and human resource practices would portray different challenges and opportunities for work-life balance. Moreover, a look into organizational structure, hierarchical functions, as well as social and cultural factors affecting work-life balance in these companies may reveal important information.

In-depth researches of Work-Life Balance per BPO sector may be necessary. A comparative study across different setting and according to regions may be conducted. A cross-comparison of work-life balance in urban and provincial setting may also be considered.

Additionally, with ample research funding, case studies of individual company experience may also be considered as there are variance in work-life practices and program per company.

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