Struggling to Find a Balance

Managing Work-Life Balance and Engagement

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The extent to which an employee feels the appropriate balance between work and personal commitments can have a significant impact on his or her work experience. As technological advances create a constantly connected work environment, the lines between work and personal life are becoming increasingly blurred. Balancing and/or integrating these two worlds is an important factor in driving employees’ engagement. Even though it is not typically a top engagement driver (according to Aon Hewitt’s 2015 Trends in Employee Engagement study), work-life balance is still meaningfully related to an employee’s likelihood to say, stay, and strive.

We see a relatively consistent trend among the work-life balance items in our global dataset—over one-third of employees report that they do not have sufficient work-life balance. This is true whether looking directly at employee perceptions of work-life balance or at proxies such as work-related stress and employees’ ability to modify their work schedules. Although the trends are consistent across items, there are many differences by region and country, highlighted in Figure 1 below. This map shows the country-level distances from regional averages based on data from Aon Hewitt’s global research.

Figure 1. Geographic Perceptions of Work-Life Balance

Similar to overall engagement trends, we tend to see higher scores in Latin American countries and lower scores in Asian and European countries. Scores are particularly low in Japan—across more than 80,000 responses, only two of every five employees feel they have appropriate work-life balance.

We see some interesting nuances within regions as well, particularly within Europe. Unsurprisingly, Nordic countries such as Norway and Denmark score well above average, even though about 2% of these employees worked more than 50 hours a week, according to the Organization for Economic Cooperation and Development’s (OECD) Better Life Initiative. However, countries like France and
Germany—with great work-life balance practices such as extended vacation time—score below the European average.

This may be a perception issue, since work-life balance is a subjective concept and is different for each employee. According to the same OECD study, these lower-scoring countries show a higher proportion of employees working more than 50 hours a week. Employees may simply be working more hours a week when they do not have scheduled time off.

In addition to the raw work-life balance numbers, it is important to highlight how an employee’s work-life balance relates to engagement. For instance, it is likely no surprise that the same employees who have the least favorable perceptions of work-life balance (females 25 to 34 years old) tend also to be less engaged than the global average. Figure 2 below, based on Aon Hewitt data from over 300,000 employees across the globe, further demonstrates how employees’ engagement changes drastically based on how they feel about work-life balance.

**Figure 2. Engagement Across Perceptions of Work-Life Balance**

Only 6% of the employees who “Strongly Disagree” to having sufficient work-life balance are engaged. Furthermore, employees with the most positive perceptions of work-life balance (those scoring 6.0) are **2.5 times more engaged** than those with even moderate perceptions of work-life balance (those scoring an average of 4.0).

In Figure 3 on the next page, we gain even more insights when we dive into the engagement items—particularly those relating to the likelihood that an employee will stay with the company. Employees who are negative about their work-life balance indicate it would take very little for them to leave the company; only 24% of these employees indicated they would stay. This stands in stark contrast to employees who are positive about their work-life balance—**73% of employees with positive work-life balance indicate it would take a lot for them to leave.** These results show that one way to keep employees from jumping
ship the next time an attractive alternative comes their way is to ensure that they have an appropriate balance between their work and personal commitments.

**Figure 3. Intentions to Stay for Employees with Good vs. Poor Work-Life Balance**

<table>
<thead>
<tr>
<th>Poor Work-Life Balance</th>
<th>Good Work-Life Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likely to Stay</td>
<td></td>
</tr>
<tr>
<td>24%</td>
<td>73%</td>
</tr>
<tr>
<td>Likely to Leave</td>
<td></td>
</tr>
<tr>
<td>41%</td>
<td>7%</td>
</tr>
</tbody>
</table>

**Next Steps**

Based on these results, it is clear that work-life balance is important—not only intrinsically, but also through its relationship to engagement and turnover intentions. To improve work-life balance within your organization, consider the following actions:

- **Start the conversation.** Discuss work-life balance options openly with employees and take the suggestions they have into consideration. If you administered a survey and your employees told you they are unhappy with their work-life balance, it is incumbent on you to act on it. It is also important to remember that the meaning of “work-life balance” can vary from person to person. For some, it truly means creating a balance between their work and personal lives. For others, it may mean greater work-life integration. Understanding the very personal nature of work-life balance is critical to having an impactful conversation.

- **Make a plan.** After starting the conversation, determine how you will develop and implement policies to improve work-life balance. Common approaches include a variety of alternate work arrangements, including flex time with core working hours, flex time without core working hours, an annual working time account, job sharing, a reduced-hour week (part-time), a compressed work week (for example, four 10-hour days), and/or telecommuting. Also, don’t be afraid to ask employees how they would manage their own work-life balance, and empower them to balance and/or integrate their own work and personal obligations.

- **Get the staffing levels right.** Make sure you have the appropriate staffing levels. If you’ve recently experienced high attrition, people may be putting in extra hours to get the work done. Consider how these aspects of the larger work environment impact employees’ work-life balance. We find that enablement, talent, and staffing are often strongly related to work-life balance.
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