Organisational Adaptation Predictors and Work Life Balance Practices in Australian SMEs

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ABSTRACT

Drawing on organisational adaptation (OA) theory, this study examines work-life balance (WLB) practices in Australian small and medium enterprises (SMEs). Data were collected through a survey from 219 firms. The aim of the study is to identify what organisational characteristics are associated with the adoption of four groups of WLB practices using a causal model. The best fit of model comprising flexible work options, organisational benefits and employee consultation of WLB practices associated with OA factor was found. The findings also suggest other organisational characteristics, namely human resource professionals employed, average educational level of the staff, proportion of female staff, and number of staff over 40 years impact on WLB responsiveness. Implications for theory and practice are discussed and avenues for future research are presented.

Keywords: work-life balance, small and medium enterprises, organisational adaptation, Australia

INTRODUCTION

WLB serves to provide a beneficial option for both employees and employers (Thompson and Prottas, 2009; Yuile, Chang, Gudmundsson and Sawang, 2012). However, what is of concern is ‘there has been surprisingly little research on factors related to firm adoption of work-life policies and programs’ (Thompson and Prottas 2009, p. 53). Lavoie (2004) provide that more research is required in terms of WLB in SMEs. Skinner and Chapman (2013) acknowledge that legislation within a country can have an important impact on work-life outcomes as can industry sector and organisational culture. Pocock, Charlesworth and Chapman (2013) explain that many factors can enhance or lessen the impact of government legislation on the WLB of its citizens, including prevailing economic conditions and socio-cultural values.

The purpose of this study, therefore, is to empirically test what factors are associated with adoption of organisations that offer WLB practices, formally and informally, within Australia and specifically from the organisational adaptation perspective in the SME settings. We begin this paper by briefly reviewing the literature and developing hypotheses. This is followed by the methodology. Subsequently the results of factor analysis and structural equation models are presented, which is followed by a discussion of the findings and the conclusions of the study. The final section provides the implications for theory and recommendations for practitioners that derive from the research.
WORK LIFE BALANCE - PRACTICES AND RESPONSIVNESS

McCarthy Darcy & Grady (2010, p. 158) state WLB practices refer to “Initiatives voluntarily introduced by firms which facilitate the reconciliation of employees’ work and personal lives.” These WLB practices therefore permit employees the opportunity, intentionally or not, to enhance their autonomy in the process of coordinating and integrating work and non-work aspects of their lives (Felstead, Jewson, Phizacklea and Walters, 2002). There is a vast array of WLB practices that a company can seek to implement to address WLB issues (Parliament of Australia, 2006). Given Jenkins, Bhanugopan and Mathews (2013), tested four factors, we specifically adopt their factors which include: flexible work options; leave programs; support benefits; and care arrangements (see figure 1). We note that these four factors when summed together, to form an index score, to identify an organisation’s WLB responsiveness (Jenkins et al. 2013). A similar index score, used to determine an organisation’s WLB responsiveness, was used by Konrad and Mangel 2000; Milliken, Martins and Morgan 1998; Moshavi and Koch 2005; and Pitt-Catsouphes, Mirvis and Litchfield 1995.

[Insert Figure 1 near here]:

THEORETICAL BACKGROUND

Organisational adaptation theory is seen as an extension to institutional theory in order to allow for senior management to exercise strategic choice over how it responds to environmental pressures (Goodstein 1994, 1995). Daft and Weick (1984) developed this broad theoretical framework by arguing that organisational responsiveness to environmental changes will be influenced by the underlying processes involving the recognition and interpretation of these changes. Milliken, Dutton and Beyer (1990, p. 92) extended this general framework of organisational adaptation to the specific context of work-family issues. They cite Gallinsky (1988b) as noting that “family responsive policies and practices may become important means by which to attract and retain a skilled labour force.” Milliken et al. (1990) explain that in essence, organisations that respond more appropriately to environmental changes will eventually be more successful. Wood, de Menezes, and Lasaosa (2003) note that organisational adaptation differs from institutional theory in that it assumes that organisations do not passively conform to normative pressures, rather management has discretion over
how it elects to respond (Oliver 1991; Daft and Weick 1984). For example, management can elect to either acknowledge or ignore societal pressures to put in place measures to assist employees with balancing work and life.

**Employee consultation and perceived benefits**

According to Wood et al. (2003) the predictors of organisational adaptation theory, besides those of institutional theory, consist of three factors (1) the values of senior management; (2) the information senior management has on institutional pressures; and (3) the prediction of the economic outcomes associated with the provision of family-friendly practices. Hence, it is likely that employers are more WLB responsive if they value their employees having a WLB, consult with their employees regularly and associate tangible benefits with the provision of WLB practices. Therefore we test the following hypothesis:

\[ H_1: \text{There is a significant positive relationship between employee consultation and WLB responsiveness.} \]

Beauregard and Henry (2009) conclude from their review of literature that whilst WLB practices may not reduce work-life conflict they are often associated with improved organisational performance such as higher retention rates and attendance and lower turnover intentions. Barodel (2003) found that the greater the perceived organisational benefits associated with the provision of work-family practices the more likely it was that an organisation would offer such practices. Results from Wood’s (1999) research also support the notion that the bottom line benefits, from providing family-related practices, co-exists with intentional choices made by managers regarding decisions to provide or not to provide work-family policies. Thus the following hypothesis is tested:

\[ H_2: \text{There is a significant positive relationship between the perceived benefits of WLB practices and WLB responsiveness.} \]

**Employment of a human resources manager or designated HR staff member**

According to Osterman (1995) a human resources department, or, as we advocate, a designated person responsible for HR, transmit pressure. This is due to HR professionals being likely to be in the communications network that develop and implement practices, and they are concerned with appearing to be modern or are responsive to external pressure. For example, they may recognize the
importance of being branded as an employer of choice to assist with recruitment and selection of staff.

In view of this, the following hypothesis is tested:

\[ H_3: \text{There is a significant positive relationship between the employment of a designated human resource staff member and WLB responsiveness.} \]

**Education level and transferability of skills**

Wood (1999) notes how researchers have made allowance for the type of human capital organisations may employ in models of the determinants of the use of WLB practices. For example, Goodstein (1995, p1661) argues highly skilled and mobile employees, i.e. professional employees, have larger bargaining power and employers with a high composition of such staff are less able to resist normative pressures from them. Felstead et al. (2002, p. 58) also contends that professional managerial, and highly skilled employees have greater leverage over their employers. This, it is argued, is intensified in a tight labour market, which was apparent for Australian SMEs at the time of data collection. Hence, in this study we test the following hypotheses:

\[ H_4: \text{There is a significant positive relationship between the education level of the workforce and WLB responsiveness.} \]

\[ H_5: \text{There is a significant positive relationship between the education level of the owner / manager and WLB responsiveness.} \]

\[ H_6: \text{There is a significant positive relationship between the core employees whose skills are difficult to transfer and WLB responsiveness.} \]

**Core versus peripheral staff**

Based on a survey conducted by the Business Council of Australia (cited in Wolcott 1993) of medium and large enterprises it was predicted that businesses in 2000 and beyond would operate two workforces. The first group would be the core workforce comprised of full time permanent staff who would be entitled to receive benefits. The second group would be the peripheral workers consisting of part time, casual staff and sub contractors and who would be likely to receive fewer benefits. Such forecasts have become reality according to the Australian Social Trends 2003 survey results (ABS 2003). Thus we test the following hypothesis:

\[ H_7: \text{There is a significant positive relationship between core staff employed and WLB responsiveness.} \]
Gender composition

Felstead et al. (2002, p. 57) states that ‘organisational adaptation theory posits that the greater the proportion of female staff employed, the more responsive an organisation is to societal pressure’. They argue this proposition is made on the assumption that women make tougher requests for WLB practices. Goodstein (1994) previously tested this and found a significant positive relationship between these two variables. Given SMEs face a tight labour market within Australia, and the prospect of this easing is bleak, we test the following hypothesis:

\( H_8: \) There is a significant positive relationship between the proportion of females employed and WLB responsiveness.

Age composition

Another feature of how work is organised that could serve to enhance or lessen an organisation’s WLB responsiveness to societal pressures may include age composition. For example, Bardoel et al. (1998) assessed whether the percentage of employees under the age of 35 was related to the number of work-family benefits offered. However their hypothesis was not supported. Goodstein’s (1995) study, however, tested whether the proportion of employees aged 40 and over played any significant role in management’s decision to offer family friendly practices. Again, no support was found. But as asserted by Goodstein (1995) the ability to directly assess employee needs may be very important in managing WLB needs but difficult to do in larger organisations. Therefore, given SMEs are arguably, in a better position to do this and hence have a more intimate knowledge of their employees demands, compared to larger organisations, we test the following hypothesis:

\( H_9: \) There is a significant positive relationship between the proportion of employees aged over 40 years and WLB responsiveness.

RESEARCH METHODOLOGY

Data sources and procedure

A Dun and Bradstreet database file was used to identify 2000 suitable SMEs within Australia; A practice supported by Osterman (1995) who described it as the only practical choice. The criteria used for the selection of SMEs were: all ABS industry categories were represented; companies had between 1 and 200 employees; the name and address of the business owner or managing director or
manager were available; and each Australian state and territory were represented. Prior to the main
data collection, the questionnaire was pilot tested by ten SME owner/managers to obtain their
suggestions and comments on the questionnaire’s design. Of the 2000 questionnaires sent, 557 were
returned as undeliverable. From the remaining 1443 possible respondents, 219 useable questionnaires
were returned yielding a response rate of 15%. The overall response rate is similar to a study by
Milliken et al. (1998), who obtained a response rate of 18% (n = 175) when surveying a random
sample of 1000 human resource managers about work-family policies.

Measures

Dependant variable

To facilitate the reliable and valid measurement of various concepts, numerous multi-item
measurement scales were employed. These scales are derived from previous studies and/or developed
from related literature and suitably adapted. For the dependent variable, WLB responsiveness, a wide
range of WLB practices were included in this study. This approach, as previously noted is necessary
due to certain kinds of practices being viewed as more suitable when trying to ascertain how best to
help an employee with WLB issues. For this study the availability of 37 WLB practices within
organisations was measured. These were derived from practices identified by Bardeol et al. (1998);
Bardeol (2003); Konrad and Mangel (2000); Mulvena (1999); Pitt-Catsouphes et al. (1995). Like
Bardeol (2003) and Pitt-Catsouphes et al. (1995), respondents were asked to estimate the extent to
which their organisation provided each practice on five-point Likert scales (1 = not at all, 2 = being
considered, 3 = offered informally or on ad hoc basis, 4 = available to less than half of the workforce
and 5 = available to more than half of the workforce).

Independent variables

There were two independent variables used in the confirmatory factor analysis. The first variable total
employee consultation (TCONS) was used to assess the quality and amount of bottom up
communication. Owner / managers of the SME were asked whether the organisation had employee-
management committees or regular meetings of employees and managers to discuss five issues: WHS;
productivity; training; technology and work organisation; and work roles or job descriptions. This measure was originally used by Wood (1999) and Wood et al. (2003).

The second variable total organisational benefits (TBENE) was used to determine whether the owner / manager of the business felt the WLB practices offered in their SME had a positive impact on: absenteeism; turnover; productivity; morale; bottom line; recruitment and retention; employee stress; loyalty; and company image. The measure was used by Pitt-Catsouphes et al. (1995).

In the regression analysis the above variables were used by creating index scores. A further nine variables were used. First, the employment of a human resource professional. The question ‘does your business employ a human resource professional or a designated person responsible for human resource / staff issues?’ was asked. The two items were re-coded into one dichotomous variable (0 = no and 1 = yes.) Second, the education level of workforce which was assessed on a five-point scale (1 = most have less than a Higher School Certificate (HSC), 2 = employees are about equally divided between less than a HSC and a HSC, 3 = most have a HSC, 4 = they are about equally divided between a HSC and more than a HSC, and 5 = most have more than a HSC). This measure was used by Wood (1999). Third, education level of owner / manager. This was an exploratory variable which used the following categories of schooling (1 = primary school, 2 = secondary school, 3 = tech college, 4 = some university, 5 = bachelor, 6 = diploma, 7 = masters, 8 = Doctorate, 9 = other). The fourth through to eighth variables were assessed using a scale measure. The following question was posed: approximately what proportion/percentage of employees fall into each of the following categories: females employed; female managers employed, numbers of staff over 40 years, casual staff employed, permanent part time staff. The final variable measured was skills transferability a three point-likert scale measure was used (1= essential / core employees to your business are very transferable, 2 = essential / core employees to your business are moderately transferable, and 3 = essential / core employees to your business are difficult to transfer. These were re-coded into a dummy variable 0 = transferable, 1 = difficult to transfer).
RESULTS

Organisational Characteristics

The ABS industry categories were used to describe the main operations of the organisations. The manufacturing category represented the highest percentage of respondents (21.9 per cent), followed by other services (11.9 per cent), and construction (10.5 per cent). Each state and territory within Australia was represented, including metropolitan and non-metropolitan (see Table 1).

In order to determine the underlying dimension of organisational adaptation (OA), factors based on the latent root orientation (eigenvalue), total variance explained, and correlation matrix were determined using SPSS 20. Furthermore, given the indeterminate nature of the factor structure, this study employed Principal Component Analysis (PCA) as a well-established technique for dimensionality reduction using varimax rotation to extract factors. Cronbach alpha coefficients were also employed to determine the reliability of the instruments (Cronbach, 1951). The Cronbach Alpha score for OA was 0.91 exceeding the recommended value of 0.70 (Nunnally 1978). The sample was first assessed for its suitability for factor analysis. Bartlett’s Test of Sphericity was highly significant ($p < .001$) and the Kaiser-Meyer Olkin (KMO) measure of sampling adequacy value of 0.92 exceeded the recommended value of 0.6 (Kaiser 1970), which supported the factorability of the correlation matrix. PCA indicated that the responses to our continuous variables questionnaire items measuring OA loaded onto two factors (see Table 2), which exceeded eigenvalues of 3, explaining 68.0 per cent of the variance. These two factors exceeded the criterion value obtained from Parallel Analysis (Watkins 2000). Using Catell’s (1966) scree test, we decided to retain the two-factor solution. The two significant factors, namely total organisational benefits (TBENE) ($\alpha = 0.94$), and total employee consultation (TCONS) ($\alpha = 0.85$), emerged from the analysis, showing high factor loading and correlation values.
Having found the valid factor structure for organisational adaptation, confirmatory factor analysis (CFA) was used to further investigate the structure of the factors. Data were processed and analysed using LISREL 8.80. Absolute fit indices determine how well the model fits the sample data and which model represents the superior fit (Hooper, Coughian & Mullen 2008). The first model, $M_1$, consisted of the dependant variable which consisted of all four factors: the first sub-scale consisted of six items measuring flexible work options; the second sub-scale consisted of five items measuring leave programs; the third sub-scale consisted of four items measuring support benefits; and the fourth sub-scale consisted of three items measuring care arrangements. $M_1$ also contained both independent factors: the first sub-scale consisted of nine items measuring organisational benefits; and the second sub-scale consisted of five items measuring employee consultation. Based on overall goodness of fit (GFI) statistics (0.84), the first model ($M_1$) yielded satisfactory fit statistics: CFI (= 0.94), the Normed Fit Index (NFI) (= 0.89), the Non-Normed Fit Index (NNFI) (= 0.93), the Incremental Fit Index (IFI) (= 0.94), and the Root Mean Square Error of Approximation (RMSEA) (= 0.070), chi - square $\chi^2 = 516.30$, P - value = 0.00000, df = 249, Standardised RMR (SRMR) = 0.070, Relative Fit Index (RFI) = 0.88, and Adjusted Goodness of Fit Index (AGFI) = 0.80 (Kline 2005; Marsh, Balla & Hau 1996). However, based on the results of $M_1$, it was possible to improve the measurement model. Accordingly, six items from the first sub scale of the dependent variable were removed (maternity and paternity leave, employee assistance programs, life skill programs, an onsite breastfeeding area and childcare on or near workplace) due to their showing low coefficient values. Based on the overall GFI statistics, the second model, $M_2$, showed perfect fit statistics: CFI (= 0.97), the Normed Fit Index (NFI) (= 0.94), the Non-Normed Fit Index (NNFI) (= 0.97), the Incremental Fit Index (IFI) (= 0.97), and the Root Mean Square Error of Approximation (RMSEA) (= 0.058), chi - square $\chi^2 = 259.98$, P value = 0.00000, df = 149, Standardised RMR (SRMR) = 0.048, Relative Fit Index (RFI) = 0.93, and Adjusted Goodness of Fit Index (AGFI) = 0.86. Table 3 displays the results ($\beta$, Standardized Loadings, $t$ values) for the two models and Table 4 shows the GFI statistics for the two models. Two structural models were tested; the best fit model can be seen in Figure 1.

[Insert Figure 2 and Tables 3 and 4 near here]
To examine the impact of the organisational adaptation factors on WLB responsiveness of SMEs, a standard regression analysis was performed involving the work-life balance responsiveness (WLBR) index score and the predictor variables. The organisational adaptation factors represent total employee consultation, total benefits, human resource professionals employed, average education level of the staff employed, transferability skills of the workforce, casual staff employed, permanent part time staff employed, female staff employed, female managers employed and number of staff over 40 years. Table 5 shows that WLB responsiveness had a significant positive relationship with total consultation ($t = 2.337, p < 0.00$), total benefits ($t = -2.380 p < 0.00$), human resource professionals employed ($t = 2.376, p < 0.00$), average education level of the staff employed ($t = 3.164, p < 0.000$), female staff employed ($t = 1.958, p < 0.00$) and number of staff over 40 years ($t = 2.260, p < 0.00$) and the adjusted R2 was 0.154 (see Table 5). These results support hypotheses 1, 2, 3, 4, 8 and 9. No significant relationship was found between educational level of the owner / manager, skill transferability of core employees, and the core staff of the workplace, and the adoption of WLB practices thus hypotheses 5, 6 and 7 were rejected. [Insert Table 5 near here]

**DISCUSSION**

The purpose of this research was to examine whether SMEs within Australia vary in the extent to which they offer WLB practices based on organisational adaptation predictors. In order to do this, our research first adopted a one-stage structural equation model to allow for confirmatory factor analysis. The CFA results showed support for a two-factor model, namely total organisational benefits and total employee consultation as predicted. Previous research (Wood 1999; Wood et al. 2003; Hughes and Bozioneles 2007) has identified that employers perceptions of the benefits of providing WLB practices influences their responsiveness as does management’s consultative approach. Specifically, respondents in this study felt the offering of WLB practices were associated with reduced absenteeism (62.8%); reduced turnover (53.2%); higher productivity (64.6 %); higher morale (71.3%); improvements to the bottom line (51.7%); improved recruitment and retention (58%); reduced employee stress (66%); and improved company image (66.6%).
In relation to employee consultation more than half of the respondents stated they held meetings related to occupational health and safety, productivity, training, technology and work organisation, and work roles or job descriptions. Hence this study supports previous findings that the organisational adaptation perspective does play a role in WLB responsiveness and therefore allows for such findings to be extended beyond the U.S. and U.K. to Australian SMEs. Whilst only 46% of respondents identified either having a human resources professional or designated person responsible for human resources, our results, like Osterman (1995), supported the argument that their presence was highly significantly associated with the organisations work life balance responsiveness as is highlighted in the regression analysis (see table 5). Hence given the findings regarding perceived benefits of WLB practices, SMEs may be well advised to ensure there is a designated person who can seek to identify what WLB practices may best be well received by the workforce and seek to implement these if they wish to further capitalize on such benefits. Findings also revealed that WLB responsiveness of SMEs within Australia, like larger organisations in the US (Goodstein 1995) and UK (Wood 1999), is highly significant with the education level of the workforce. Hence the higher the education level of the workforce the more likely organisations are to offer WLB practices which as Goodstein argued, is due to the possibility of professional employees having larger bargaining power. This is also likely to be the case for SMEs. Especially given the mere departure of a key talented and critical employee within smaller organisations may have very negative impacts. For example, the potential loss in knowledge should they depart. However, contrary to our expectations, there was no significant relationship between WLB responsiveness and the education level for the owner / manager; the transferability of skills of the workforce; or the types of staff employed i.e. core versus peripheral staff. Our analysis did reveal, like Felstead et al. (2002) and Davis and Kallberg (2006) that gender composition was highly significant with WLB responsiveness. Specifically, the results demonstrated that organisations with a greater proportion of females within their workforce were more likely to offer work life balance practices. Hence, again the results can be extended beyond the U.S. and U.K. to Australian SMEs. In addition, the findings highlight that age composition (i.e. employees over 40 years), is positively significant with the extent to which SMEs are WLB responsive.
LIMITATIONS IMPLICATIONS AND DIRECTIONS FOR FUTURE RESEARCH

Some important limitations of the study are identified. The first limitation is the low response rate to the survey and obvious bias to SMEs. Hence, the findings should be generalized with caution and replicated in other data sets and in other countries. A second limitation is the use of a single, self-reporting methodology to obtain information about each organization. Whilst the debate and critical comments regarding this approach are acknowledged (Hueslid & Becker, 2000), it is widely used in the HRM literature and like De Cieri et al. (2005) this study did not seek to directly measure a connection with SMEs performance. A third limitation is that this study only looked at a reasonable number of factors from the perspective of institutional theory.

This research makes several contributions both for academics and practitioners. Research on WLB has to a large extent been conducted based in large organisations which according to Alegre, Chincilla, Leon and Canela (cited in Cegarra-Leviva et al. 2012b, p. 103) is attributed to the fact that large companies are more easily contacted and located, managers of SMEs often suffer from a lack of time to discuss issues and see limited benefits in doing so. Hence the ability to use previous studies findings that have not looked specifically at SMEs limits the ability of findings to be generalized. Whilst more recently research has been conducted in SMEs (Cegarra-Leviva et al. 2012a and 2012b) the authors suggest that investigations should continue to help address gaps. Hence, theoretically this study is an important step forward in identifying that SMEs within Australia vary in the extent to which they offer WLB practices based on factors associated with organisational adaptation perspective. This research reinforces the importance of how the owner / managers of SMEs process information and take respective organisational action. From a practical perspective for the owner / manager of SMEs it highlights the need to scan their environment, internally and externally, and take appropriate action.
Figure 1: WLB Responsiveness factors

- **Flexible work options**
  - Flexitime
  - Telecommuting
  - Part time work
  - Shorter work days
  - Flexible start finish times

- **Leave programs**
  - Maternity leave
  - Paternity Leave

- **Support benefits**
  - Employee assistance program
  - Life skill programs

- **Care arrangements**
  - Breast feeding provisions
  - Child care on or near site
<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of responses</th>
<th>Percentages over the final sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture forestry &amp; fishing</td>
<td>11</td>
<td>5.0</td>
</tr>
<tr>
<td>Mining</td>
<td>9</td>
<td>4.1</td>
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<tr>
<td>Manufacturing</td>
<td>48</td>
<td>21.9</td>
</tr>
<tr>
<td>Electricity gas water &amp; waste</td>
<td>1</td>
<td>0.5</td>
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<tr>
<td>Construction</td>
<td>23</td>
<td>10.5</td>
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<tr>
<td>Wholesale trade</td>
<td>13</td>
<td>5.9</td>
</tr>
<tr>
<td>Retail trade</td>
<td>14</td>
<td>6.4</td>
</tr>
<tr>
<td>Accommodation &amp; food</td>
<td>4</td>
<td>1.8</td>
</tr>
<tr>
<td>Transport postal &amp; warehousing</td>
<td>10</td>
<td>4.6</td>
</tr>
<tr>
<td>Information &amp; media</td>
<td>14</td>
<td>6.4</td>
</tr>
<tr>
<td>Financial &amp; insurance</td>
<td>6</td>
<td>2.7</td>
</tr>
<tr>
<td>Rental hiring &amp; real estate</td>
<td>2</td>
<td>.9</td>
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<tr>
<td>Scientific &amp; technical</td>
<td>17</td>
<td>7.8</td>
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<tr>
<td>Administration &amp; support</td>
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<tr>
<td>Public administration &amp; safety</td>
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<tr>
<td>Education &amp; training</td>
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<tr>
<td>Health care &amp; social services</td>
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<tr>
<td>Arts and recreation</td>
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<td>0.9</td>
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<tr>
<td>Other services</td>
<td>26</td>
<td>11.9</td>
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<tr>
<td>Total</td>
<td>219</td>
<td>100</td>
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**Location**

<table>
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<th>Location</th>
<th>Number of responses</th>
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<td>21.6</td>
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<td>Metro Queensland (Qld)</td>
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<td>8.3</td>
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<td>Total</td>
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### Table 2 Organisational Adaptation rotated factor loadings, mean and standard deviations

<table>
<thead>
<tr>
<th>Factors</th>
<th>Items</th>
<th>Mean</th>
<th>SD</th>
<th>Factor Loading</th>
<th>α</th>
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<tr>
<td>Factor 1: TBENE</td>
<td>Reduced absenteeism</td>
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<td>1.359</td>
<td>0.851</td>
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<td>Reduced turnover</td>
<td>2.73</td>
<td>1.431</td>
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<td></td>
<td>Higher productivity</td>
<td>2.87</td>
<td>1.241</td>
<td>0.905</td>
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<tr>
<td></td>
<td>Higher morale</td>
<td>3.16</td>
<td>1.236</td>
<td>0.911</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Improvements to bottom line</td>
<td>2.55</td>
<td>1.159</td>
<td>0.853</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Improved recruitment &amp; retention</td>
<td>2.76</td>
<td>1.253</td>
<td>0.833</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduced employee stress</td>
<td>2.95</td>
<td>1.198</td>
<td>0.844</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increased loyalty</td>
<td>3.06</td>
<td>1.342</td>
<td>0.882</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Improved company image</td>
<td>2.64</td>
<td>1.315</td>
<td>0.780</td>
<td></td>
</tr>
<tr>
<td>Factor 2: TCONS</td>
<td>Occupational health and safety</td>
<td>1.66</td>
<td>0.476</td>
<td>0.688</td>
<td>.85</td>
</tr>
<tr>
<td></td>
<td>Productivity</td>
<td>1.63</td>
<td>0.483</td>
<td>0.799</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Training</td>
<td>1.65</td>
<td>0.477</td>
<td>0.791</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Technology &amp; work organisation</td>
<td>1.54</td>
<td>0.500</td>
<td>0.807</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Work roles or job descriptions</td>
<td>1.58</td>
<td>0.494</td>
<td>0.823</td>
<td></td>
</tr>
</tbody>
</table>

Notes: N = 219, Extraction method: Principal Component Analysis, Rotation method: VARIMAX. (Scale Composite Reliability SCR = .90) (1. employer benefits, 2. employee consultation)
Table 3 Structural parameters estimates for models

<table>
<thead>
<tr>
<th>Structural Path</th>
<th>$\beta$</th>
<th>$M_1$ Std Loadings</th>
<th>$t$</th>
<th>$\beta$</th>
<th>$M_2$ Std Loadings</th>
<th>$t$</th>
</tr>
</thead>
<tbody>
<tr>
<td>WLBR $\rightarrow$ TCONS $\rightarrow$ ohs</td>
<td>0.15</td>
<td>0.27</td>
<td>---</td>
<td>0.15</td>
<td>0.27</td>
<td>---</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TCONS $\rightarrow$ prodmeet</td>
<td>0.11</td>
<td>** 0.35</td>
<td>7.91</td>
<td>0.11</td>
<td>** 0.35</td>
<td>7.91</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TCONS $\rightarrow$ trg</td>
<td>0.11</td>
<td>** 0.33</td>
<td>7.72</td>
<td>0.11</td>
<td>** 0.33</td>
<td>7.71</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TCONS $\rightarrow$ tech</td>
<td>0.11</td>
<td>** 0.37</td>
<td>8.07</td>
<td>0.11</td>
<td>** 0.37</td>
<td>8.06</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TCONS $\rightarrow$ jobdescr</td>
<td>0.10</td>
<td>** 0.38</td>
<td>8.18</td>
<td>0.10</td>
<td>** 0.38</td>
<td>8.17</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE1</td>
<td>0.56</td>
<td>* 1.14</td>
<td>11.07</td>
<td>0.56</td>
<td>* 1.14</td>
<td>11.07</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE2</td>
<td>1.15</td>
<td>0.95</td>
<td>---</td>
<td>1.15</td>
<td>0.95</td>
<td>---</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE3</td>
<td>0.29</td>
<td>** 1.11</td>
<td>11.76</td>
<td>0.29</td>
<td>* 1.11</td>
<td>11.76</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE4</td>
<td>0.25</td>
<td>** 1.13</td>
<td>11.92</td>
<td>0.25</td>
<td>* 1.13</td>
<td>11.92</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE5</td>
<td>0.40</td>
<td>* 0.99</td>
<td>11.15</td>
<td>0.40</td>
<td>* 0.99</td>
<td>11.15</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE6</td>
<td>0.56</td>
<td>* 1.02</td>
<td>10.74</td>
<td>0.56</td>
<td>* 1.02</td>
<td>10.74</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE7</td>
<td>0.48</td>
<td>* 0.98</td>
<td>10.87</td>
<td>0.48</td>
<td>* 0.98</td>
<td>10.87</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE8</td>
<td>0.45</td>
<td>* 1.17</td>
<td>11.42</td>
<td>0.45</td>
<td>* 1.17</td>
<td>11.42</td>
</tr>
<tr>
<td>WLBR $\rightarrow$ TBENE $\rightarrow$ BE9</td>
<td>0.78</td>
<td>* 1.00</td>
<td>10.09</td>
<td>0.78</td>
<td>* 1.00</td>
<td>10.09</td>
</tr>
</tbody>
</table>

Note: WLBR (work life balance responsiveness) TCONS (total consultation), TBENE (total benefits), * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 4 LISREL goodness-of-fit measures

<table>
<thead>
<tr>
<th>Structural Models</th>
<th>ECVI</th>
<th>NFI</th>
<th>NNFI</th>
<th>CFI</th>
<th>IFI</th>
<th>GFI</th>
<th>RMR</th>
<th>SRMR</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$M_1$</td>
<td>2.84</td>
<td>0.89</td>
<td>0.93</td>
<td>0.94</td>
<td>0.94</td>
<td>0.84</td>
<td>0.10</td>
<td>0.070</td>
<td>0.070</td>
</tr>
<tr>
<td>$M_2$</td>
<td>1.57</td>
<td>0.94</td>
<td>0.97</td>
<td>0.97</td>
<td>0.97</td>
<td>0.89</td>
<td>0.066</td>
<td>0.048</td>
<td>0.058</td>
</tr>
</tbody>
</table>

Note: ($M_1 = $Chi-square $\chi^2 = 516.30$, $P < 0.00000$, df = 249; $M_2 = $Chi-square $\chi^2 = 259.98$, $P < 0.00000$, df = 149)
Figure 2 Structural model ($M_2$) for organisational adaptation predictors

Note: WLBR = Work – life balance responsiveness; TCONS = Total employee consultation; TBENE = Total organisational benefits
Table 5 Regression analysis for WLBR in relation to organisational adaptation factors

<table>
<thead>
<tr>
<th>Model</th>
<th>Total work-life balance responsiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>(Constant)</td>
<td>-0.623</td>
</tr>
<tr>
<td>Consultation</td>
<td>1.020</td>
</tr>
<tr>
<td>Benefits</td>
<td>-0.205</td>
</tr>
<tr>
<td>HR professionals</td>
<td>6.119</td>
</tr>
<tr>
<td>Education level</td>
<td>1.995</td>
</tr>
<tr>
<td>Transferability</td>
<td>1.805</td>
</tr>
<tr>
<td>Casual staff</td>
<td>-0.025</td>
</tr>
<tr>
<td>Permanent staff</td>
<td>0.045</td>
</tr>
<tr>
<td>Females</td>
<td>0.075</td>
</tr>
<tr>
<td>Female managers</td>
<td>0.022</td>
</tr>
<tr>
<td>Number of staff over 40 years</td>
<td>0.066</td>
</tr>
</tbody>
</table>

Note: The data presented here are based on regression analysis using SPSS 20. Adjusted $R^2$ for WLB responsiveness was 0.154. Workplace characteristics are shown in the left-hand column. The final column shows the significance levels with $^* p < 0.10$, $^{**} p < 0.05$, $^{***} p < 0.01$. 
REFERENCES


Department of the Prime Minister and Cabinet. (2008). Families in Australia: 2008 (ISSN1836-4705), Canberra, Australia.


