

PERSONNEL LOYALTY, WORK-LIFE BALANCE DURING REMOTE WORK

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Abstract: Nowadays, loyalty is rooted in an employee's commitment to the organisation and involvement in its activities and is described as a belief in organisational goals and values. However, when the Covid-19 pandemic overwhelmed not only Latvia but the whole world, it became crucial to find out how personnel felt at a time when their office to home (where before 2019, all the work-related stress was left behind) and when the world was restricted to homes. While working remotely from home instead of office, the work-life balance gets easily disturbed. The present study attempts to answer the following questions: What type of loyalty does predominate among employees working remotely? What factors affect the work-life balance of the employees during remote working? Is there any correlation between personnel loyalty and work-life balance during remote working? Findings of various studies on loyalty, work-life balance, types of remote work, and its advantages/disadvantages, with an emphasis on work-life balance during remote working, are summarised in this article. Two surveys were conducted for the study: a survey on loyalty to the organisation and a survey on work-life balance during remote working. The study involved 103 full-time employees from the manufacturing industry who performed their work remotely. Results of the study show that employees represent a vital resource, and remote working is one of the new forms of employment created by digitalisation that will steadily enter and take root in the labour market. The main problems highlighted by the results of the study includes the workload, which most directly affects the work-life balance and has been noted by 70% of the respondents; the lack of managers' understanding; and employers' negative attitude towards the staff absence. The results of the study highlight the need for more detailed research on remote working, and for development of guidelines or recommendations on promoting a work-life balance.

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Introduction

Employee loyalty depends on many factors that explain behaviour of employees in the organisation and their attitude towards work. Employees' work-life balance is also given undivided attention, as employee satisfaction with their work-life balance, employers, and the organization as a whole contribute to the organisation's efficiency and higher productivity. Researchers are trying to explore factors affecting employees' behaviour in the organization and loyalty. Employee retention issues and factors contributing to a positive work environment are also very relevant. However, during remote work, the issues of employee loyalty, sense of belongingness to the organisation, and work-life balance arise. In the European Union, there is also a growing interest in balancing work and family life, and solutions are being sought to create family-friendly jobs that meet the needs of both employer and employee. The present research aims to study the employees' loyalty and work-life balance and to offer suggestions to the organization to increase employees' loyalty and improve work-life balance.

Literature review

Personnel loyalty

Loyalty to the organization has been studied for long, initially, loyalty was explained in two directions:- phenomenon connected to attitude and behaviour (Mowday et al., 1979), where attitude loyalty is expressed as a person's thoughts about their organization and the extent to which individual values organisational goals and values. Today, loyalty is explained as an individual's attitude that characterises an employee's relationship with the workplace and influences their decision to associate their career with that organization (Meyer & Allen, 1991; Meyer et al., 2002). Loyalty results from a positive working experience with an organization for a certain period, getting to know its culture, and accepting its values (Durkin, 2007). To foster employees' loyalty, the organization must follow the concept of "employee as customer", which includes respecting employees, a positive attitude towards and trust in the subordinates (Rafiq & Ahmed, 2000). Loyalty is about employee retention, recommending their workplace to others, and is a positive response to several key organisational policies, such as performance appraisal, self-actualisation in the organization, a sense of security at the workplace and psychological and physical comfort (Vilares & Coelho, 2003). Company employees serve as the face of the organisation, and whether they interact with customers by phone, email, or meet them daily, the company needs loyal employees to have loyal customers. Loyal and enthusiastic employees will also encourage the company's customers to be loyal to the organisation (Green, 2007). The study assumes

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that better performance of employees at work depends on job satisfaction and loyalty to the organisation in which they work (Meijerink et al., 2020). It is also believed that continuous control or emotional influence does not promote employee loyalty to the organisation; on the contrary, as loyalty fades, the employee feels underestimated, scared, and desires to leave the organization (Teo et al., 2020). Thus, the issue of employee loyalty becomes one of the basic conditions for the efficiency and success of the organization. Lack of loyalty and loyalty are factors that lead to increased employee turnover and decreased efficiency (Petrova et al., 2020). One cannot disagree with authors who believe that loyalty, on the one hand, is acceptance and adaptation and, on the other hand, involvement in direct problem-solving discussions that seek common creative benefits (Akhmad et al., 2020). If employees are loyal, both employees and the organisation benefit because loyal employees usually have a stronger connection with others. Loyalty has a “binding effect”, and this strong connection is important for securing cooperation and achieving common organisational goals (Zachariah et al., 2021).

Work-life balance

Work-life balance (WLB) is a broad concept that encompasses an appropriate balance between career and aspiration on one hand, and personal and family life on the other. There are different views on how work-life balance should be defined, measured, and studied (Grzywacz & Carlson, 2007). Originally work-life balance was thought of as a work-family conflict. It is defined as a conflict of roles due to simultaneous pressure from work and family in such a way that balancing one would imbalance the other (Kahn, et al., 1964). Work-life balance (WLB) is a balance or, generally, harmony in life, described as satisfaction with work and home, with minimal conflict of roles (Clark, 2000). However, teleworking involves a heavy workload (Kelliher & Anderson, 2010) and increases the use of technology for managerial control over employees (Bathini & Kandathil, 2020). Recent studies differ on the benefits of work-life balance for both genders, as it tends to increase women’s family responsibilities while providing additional income to men (Chung & van der Lippe, 2020). However, some employees prefer to work from home (WFH) because it helps to achieve a work-life balance (WLB), while managers become sceptical because it can lead to evading responsibilities (Bhumika, 2020). Opinions are divided on this issue, as some authors agree that flexible working hours and space can provide a better work-life balance. However, a poor work-life balance can increase psychological stress at individual level and reduce work productivity (Kotera et al., 2020). Work-life balance is an important issue for every employee, especially for the millennium generation. Employees productivity and performance decline if the organisation ignores employee work-life balance and is mis-managed (Wolor et al., 2020).

The experience of the European countries shows that establishing childcare centres is a successful way of balancing work and family responsibilities. State and municipal institutions could be the initiators of promoting work-life balance.

Remote work

Since 2020, remote work has become a common practice in companies. The prolonged Covid-19 pandemic has shown that it is possible to work remotely even better than at the office, meaning that employees feel more comfortable being trusted and allowed to do their job. Many companies confirmed that they could maintain the performance level of their employees during remote work as before the pandemic. Remote work is called teleworking, which is working from home and using phones, emails, or the internet to communicate with the office (Cambridge, 2019). Initially, teleworking was defined as the opportunity to work outside the traditional office or from home. The definition was later modified to include information and communication technologies and virtual work (Coenen & Kok, 2014). Perez and Sanches (2002) point out that teleworking is an alternative way of organising work using two sources of competitive advantage: the human resources of a company and new information and communication technologies. Although there is no uniform definition of telework in the literature based on several common features, it can be defined as the use of information and communication technologies to allow employees to access their work activities from different and remote locations (Perez & Sanches, 2002). As research has confirmed, and many studies have acknowledged, at the beginning of this century remote work was seen as an important tool for promoting work-life balance, and has certainly played a consistent role in the organisation (Lonska et al., 2021). However, there are some concerns regarding the implementation and management of work and privacy policies, especially for low-paid employees working in non-standard hours as a teleworker, as organising these working hours remotely daily and adapting it to meet fluctuations in demand is a major challenge for employers and line managers (Smith

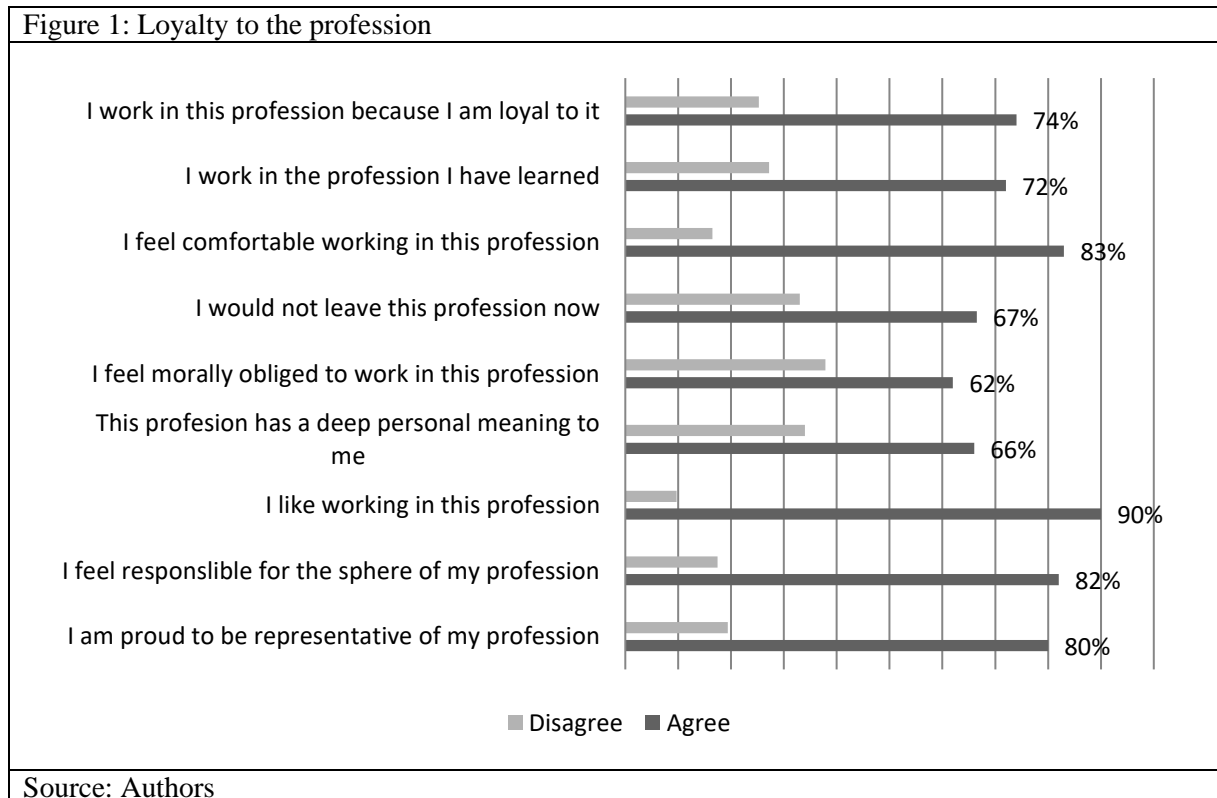
& McBride, 2021). Obligatory remote work of employees due to the pandemic has contributed to the widespread teleworking in many organisations, and given the global health emergency; it was compulsory in many companies. The authors also mention that if the COVID-19 pandemic did not exist, most companies would not have introduced remote work practices en masse (Belzunegui-Eraso & Erro-Garcés 2020).

During the COVID-19 crisis, public administrations, and educational institutions proved their ability to reorient and secure work remotely using e-solutions. Already in 2019, the European Commission's eGovernment Benchmark study concluded that the digital transformation in Latvia was successful, and that Latvia's performance was rated as the fourth best among 36 countries with a rapidly growing digital service offer (more than 700) and an increase in the number of users. Currently, many personal and public services can be availed online. According to the Central Statistical Bureau, 27.4% of employees in Latvia had the opportunity to work remotely in April 2020. However, almost three-quarters (72.6%) of the employees did not have such an opportunity, and only 5.4% of those who had the opportunity to work remotely did not use it (Central Statistical Bureau, 2020). The present study was conducted among the personnel of a Latvian manufacturing company who had never worked remotely before the pandemic faced issues related while working remotely. The aim of the study is to examine personnel loyalty and work-life balance during remote work and to offer suggestions to the organisation to increase personnel loyalty and promote work-life balance.

Methods

The study used quantitative data collection method. Two surveys were conducted, one on employees' loyalty to the organisation and another on work-life balance during remote work. The survey was conducted electronically using Webropol 3.0 survey, a survey and reporting tool, as it allows surveying a large population in a short time. A questionnaire (first 39 questions) was developed to measure To measure employees' loyalty to the organisation based on the scale developed by Meyer & Allen (1991). The first 33 statements in the questionnaire measured employees' loyalty (affective, continuance, and normative) to the organisation, followed by the five statements on their intention to leave the organization.

Various responses provided by respondents on work-life balance during remote work were collected, as well on factors that make it difficult to maintain work-life balance and whether the current time is satisfactory for work and personal life.

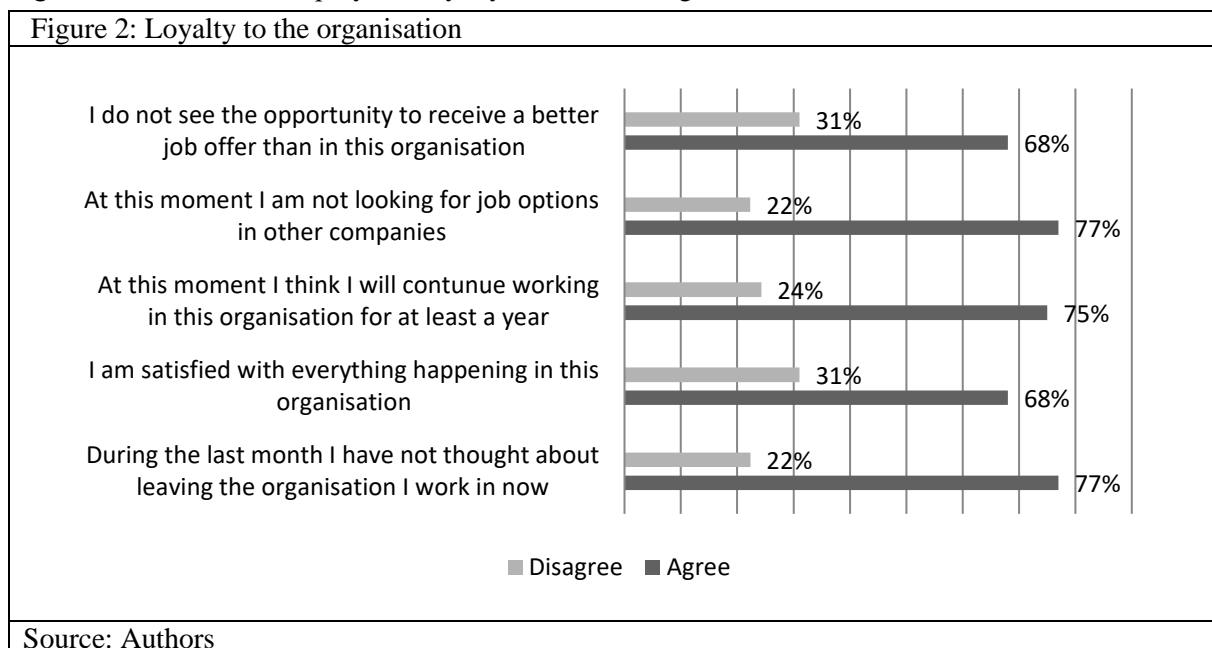


As mentioned initially, the study was conducted in a Latvian manufacturing company with 163 employees. Most of the employees (94%) were women, and only 10 (6%) were men. The responses from 103 respondents were received, out of whom only 8%, were men. The low response rate can be attributed to the fact that most employees performed their duties remotely or were absent during the survey. Regarding age, 40% of the respondents were between the age group of 35-44 years, followed by 36% of respondents in the age group of 45-54 years. Most respondents (48%) have been working in the organisation for the last 5 to 10 years.

Results

Figure 1 explains the results for employees’ loyalty to the profession. The aim was the extent to which the respondents identified themselves with their profession and daily work. The results show that the majority of respondents(82%) agree with the statement – ‘I feel responsible for my professional activity, so I will continue working in it’ and ‘I like to work in this profession’. The study also found that 74% of respondents responded that they work in this profession because they are loyal to it. 80% of respondents agree more than disagree with the statement ‘I feel obliged to continue working in this profession, and I am proud to be a member of my profession’, and 72% of respondents said they work in a profession they have been trained for. From the responses, it is evident that the majority of respondents have a sense of belongingness to the profession and are comfortable in it. 67% of respondents agree with the statement ‘I would not leave the profession because I feel responsible to my colleagues’, which shows that the presence of a good relationship with colleagues, also contributes to the sense of belongingness to the profession. 66% of the respondents agree that ‘This profession has a deep personal meaning to me’, which highlights the value of the chosen profession for the employee and probably inherited it from their parents.

Figure 2 illustrates the employees’ loyalty towards the organization.

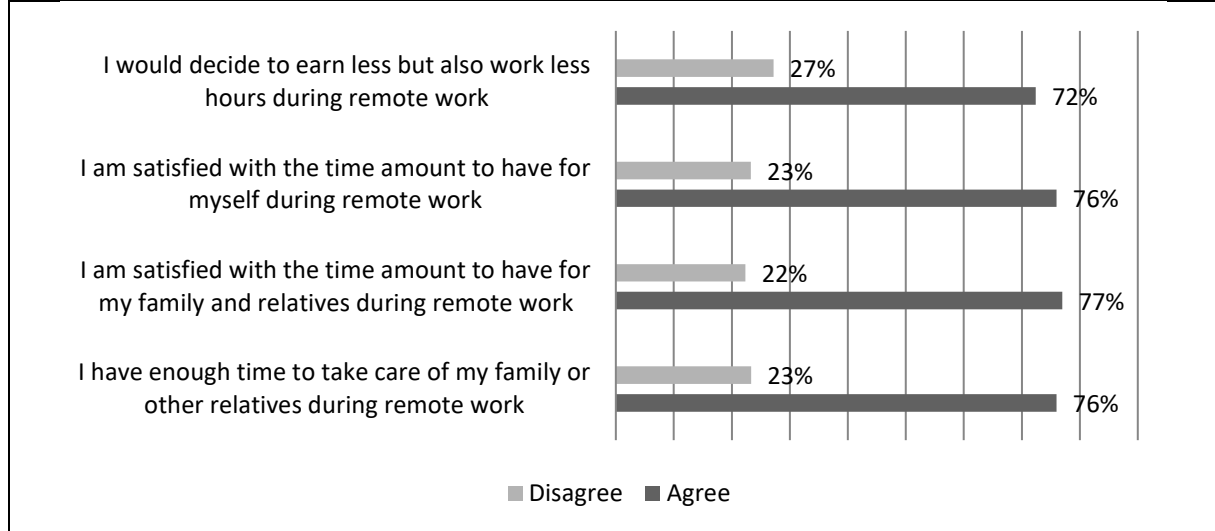


The results show that 68% of the respondents agree with the statement ‘I do not see an opportunity to get a better job offer than in this organisation’. The same percentage of respondents (68%) opined that everything in their organisation is satisfactory and intend to work with the organisation for at least another one year. 75% of respondents answered affirmatively about their plans to continue working in the organization. The data show high loyalty of employees to the organisation, and they do not have any intentions to leave the organisation. 75% of respondents are confident in their prospects and confirm their loyalty to the organisation.

Figure 3 shows the time devoted to work and personal life, which is a very important factor for the remote work regime (see Figure 3).

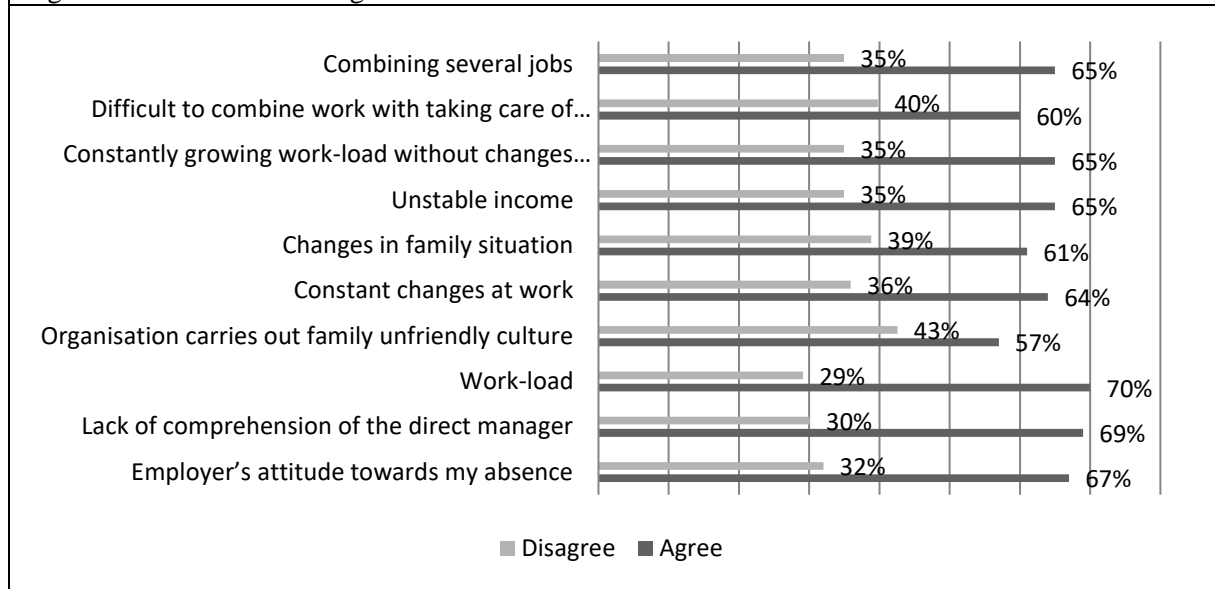
Figure 4 summarises the views of the employees on the factors that make it difficult to maintain a work-life balance.

Figure 3: Work and personal life survey data



Source: Authors

Figure 4: Factors influencing Work-life balance



Source: Authors

The majority of the respondents (70%) said their heavy workload disturbs their work-life balance. 69% of the respondents said that lack of managerial awareness is a major disturbing work-life balance. 65% of the respondents attributed the following factors to disrupting the work-life balance: multi-tasking, growing workload, and unstable income, which, in the author's opinion, is difficult to explain. It is possible that lower-paid employees want to earn more, and it is argued that income is precarious. A large majority(67%) of respondents noted that the employer's negative attitude towards staff absence makes it difficult to maintain a healthy work-life balance. As per the study, the employees with children perceive this managerial attitude negatively. The responses about the lack of understanding are probably related to the same reason, as 47% of the respondents in the organisation have at least one child.

76% of respondents agree with the statement, 'I have enough time to take care of my family, or relatives during remote work'. Less than 78% of respondents are satisfied with the amount of time they could spend with themselves, family or relatives while working remotely. However, as many as 72% of respondents said they would prefer to earn less if the trade-off is fewer working hours. However, some employees find it difficult to separate their work from personal life as it requires many adjustments. On the other hand, if it is possible to work for a few hours even with less salary employees would use it, and possibly work-life balance would be maintained.

Next, table 1 report the correlation coefficients for loyalty and work-life balance.

Table 1: Pearson’s Correlation Coefficient for loyalty and work-life balance

Variable (scale)	Pearson’s Correlation Coefficients							
	Loyalty to the profession	Loyalty to the organisation	Time for balance	Employer’s balance policy	Satisfaction with balance	Availability of balance programmes at work	Work-life balance	Remote work
Loyalty to the profession	1							
Loyalty to the organisation	0.54**	1						
Time for balance	0.18*	0.22*	1					
Employer’s balance policy	0.33*	0.27*	0.38*	1				
Satisfaction with balance	0.12*	0.33*	0.69**	0.35*	1			
Availability of balance programmes at work	0.36*	0.25*	0.47*	0.38*	0.47*	1		
Work-life balance	0.33*	0.03*	0.24*	0.5**	0.28*	0.44*	1	
Remote work	0.27*	0.02*	0.32*	0.46**	0.31*	0.5**	0.67**	1

Source: Authors

Based on the results, the study concludes that there is a statistically significant relationship between satisfaction with work-life balance and time for balance, ($r = 0.69$; $\text{sig} = 0.00$). Employees are happy with the work-life balance and with the time devoted to both. If there is less time for work and personal life, then satisfaction with the work-life balance will also decrease. The second statistically significant relationship is between ‘Remote working and Work-life balance ($r = 0.67$; $\text{sig} = 0.00$), indicating that remote work is related to work-life balance. The work-life balance during remote work is highly disturbed, as working remotely and utilising working time inappropriately can disturb the balance, leading to changes in the performance. Also, during when working remotely very intensively, there is a possibility of losing the work-life balance, as remote work increases, the work-life balance gets affected. The next statistically significant relationship is identified between loyalty to the organization and loyalty to the profession’ ($r = 0.54$; $\text{sig} = 0.00$), which shows that employees are loyal to the organization and this loyalty is directly related to their loyalty to their profession. Employees work in an organization because they like their job.

Table 2 illustrate the results of regression analysis (see Table 2).

Table 2: Regression analysis

	Standardized Coefficients			Sig.
	B	Std. Error	Beta	
(Constant)	1.13	0.72	0.00	0.12
Loyalty to the profession	0.69	0.10	0.57	0.00
Time for balance	0.08	0.08	0.10	0.35
Employer’s balance policy	0.23	0.15	0.14	0.13
Satisfaction with balance	0.40	0.11	0.39	0.00
Availability of balance programmes at work	0.00	0.13	0.00	1.00
Work-life balance	0.16	0.13	0.12	0.22

Source: Authors

The strongest effect is found on loyalty to the profession ($B = 0.69$; $\text{sig} = 0.00$), followed by satisfaction with work-life balance ($B = 0.40$; $\text{sig} = 0.00$), and employer’s work-life balance policy ($B = 0.23$; $\text{sig} = 0.13$). The results show that the affiliation and loyalty of employees to the company is formed by their

attitude towards work, which is directly related to their loyalty to the profession. Satisfaction with the existence of a work-life balance is an influencing factor that also contributes to employees' loyalty to the organisation. As per the results, it is important for the employee to feel satisfied with the organisation as a whole. Less important is the employer's work-life balance policy, which was found to have the least impact, as it does not affect employee loyalty to the organization significantly.

Conclusions and recommendations

The type of loyalty among respondents is normative loyalty, which means an individual is loyal because it seems right to be loyal to one's workplace. The employees have a strong sense of belonging to the organisation and do not intend to change their job. It has been found that the workload of the employees during remote work is the most significant factor disturbing their work-life balance, followed by a lack of understanding of the manager and the employer's negative attitude towards staff absence. A statistically significant relationship, at $r = 0.33$ between loyalty and work-life balance exists, but not to the extent that employee loyalty to the organisation would change, as there are other influencing factors. The results of the study show a statistically significant relationship between remote work and work-life balance, stating that remote work has the most direct impact on work-life balance. Additionally, a statistically significant relationship between loyalty to the organization and satisfaction with work-life balance has also been reported. Based on the findings, the study offers the following suggestions to the organisation:

To increase employee loyalty, it is recommended to form new work teams often, organise networking events involving all employees and the personnel manager. Systemic and regular communication with employees would help them achieve their goals. It is important to have a loyalty and work-life balance program based on employees' requirements; it will motivate them to achieve better results. Events like developing a project or a 20-day marathon challenge within the organisation and developing a feeling "We are at home, we are productive, we are present" should be considered to increase employees' engagement during remote work, to improve inter-departmental interaction and cooperation, and to motivate employees to work from home. Considering the rapidly changing trends in job performance and technology, management seminars should be organised on the most relevant topics like work environment and employee relations etc.

Discussion

Employees' loyalty is a positive response to several important policies, like performance appraisal, opportunities for self-realization, a sense of security at the workplace, and comfort (psychological and physical). Employees are a vital resource for almost all organizations because of their significant contribution to the organisation. However, teleworking is one of the new forms of employment created by digitalisation that will increasingly enter and strengthen the labour market. The crisis of COVID-19 and the circumstances surrounding it have led many employees, entrepreneurs, and managers to start changing their habits by organising work remotely, and the situation is now such that many companies no longer have eight working hours in the office; instead, employees have an opportunity to work remotely, or in hybrid mode. It can be said that in the current situation, those who have the opportunity to work remotely are gainers; they do not have to go out to work, but the work takes place remotely and, possibly, the work-life balance is maintained.

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