

Work from Home Experience and Work-life Balance of Accounting Business Process Outsourcing Employees

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ABSTRACT

This study used descriptive-comparative-correlational method of research design. The study identified the demographic profile of the 265 Accounting Business Process Outsourcing employees and described their work from home experience and work-life balance. Significant differences were identified according to their profile. Finally, the relationship between work from home experiences constructs were tested for significant relationship with work-life balance. Findings suggests that the employees agreed on the perceived advantages of work from home as they experienced these. On the other hand, the employees were not affected materially by the perceived disadvantages of work from home. The work-life balance of the employees was rated as good. Male and female employees do not have significant differences in their view of motivational factors (p -value = .69) but were different in views in terms of inefficiency factors (p -value = $<.001$). In terms of work-life balance, female employees (\bar{x} = 3.75) showed higher level of balance than their male counterparts (\bar{x} = 3.47). Statistical analyses revealed that motivational factors of work from home experience have moderate positive correlation (r = 0.48) with work-life balance. Inefficiency factors on the other hand posted strong negative correlation (r = -0.86) with work-life balance.

Index Terms— business process outsourcing, work arrangements, work from home, work-life balance

I. INTRODUCTION

The global population strive to live during the COVID-19 pandemic; however, businesses must continue to produce goods and render services to clients. To ensure healthy and safe working environment for employees, alternative work arrangement was introduced. Since face-to-face interaction greatly spreads the COVID 19 virus, flexible work arrangements are the immediate solutions implemented by most businesses and various organizations to sustain operations while the world is in the pandemic. The most common arrangement that is recommended by the WHO and government regulators to prevent the COVID 19 virus infection is to implement “work from home”.

The Business Process Outsourcing (BPO) sector is one of the fastest growing industries that provides for employment in the Philippines. The home of most Accounting Business Process Outsourcing Companies (ABPOs) in the Philippines is Clark, Pampanga. For more than a year now, most accounting business process outsourcing companies have been implementing work from home arrangement for its employees. This started since the early stage of the pandemic in the Philippines in March 2020.

This study described the work from home experience (WFHE) and work-life balance (WLB) of the employees of Accounting Business Process Outsourcing (ABPO) Companies in Clark Pampanga, Philippines. This study also evaluated the difference in the WFHE and WLB of the employees when they were grouped according to their demographic profiles: sex, civil status, and generation. Finally, the significant relationship between WFHE and WLB was evaluated.

Review of Literature and Studies

In the Philippines, Republic Act No. 11165 otherwise known as Telecommuting Act (2018) was legislated to institutionalize telecommuting as an optional work arrangement for personnel in the private sector in the Philippines. The state affirms that labor is a primary social economic force, the law acknowledges that the state shall guard the rights of workers and help their wellbeing, especially in the times of advancement in technology that has unlocked new and alternative avenues for workforces to carry out their work such as homeworking and other flexible work measures.

Working from home benefits not only the organization itself, but also its employees. Motivational factors that affect employees include organizational flexibility in terms of employees' working hours and places of work. It enables the organization to better meet the needs of its employees while helping them balance work and personal life and maintain good health ^[1]. Consequently, it enhances productivity, lowers stress associated with communication, and reduces time

spent working and commuting to and from work. Minimal work supervision is also experienced.

On the other hand, employees working from home face challenges that negatively affects their efficiency at work. These includes the need to socialize, blurring boundaries between leisure and work, poor work life-balance, and difficulties in maintaining effective communication and collaboration with colleagues and managers. ^[2]

Raišienė, et al. (2020) ^[3] completed a study to determine who among Lithuanian employees gains the most from working from home arrangements during the COVID 19 pandemic quarantine period. According to correlation analysis, there were differences in the judgment of factors negatively impacting WFH efficiency and traits required of a remote employee, based on sex, age, education, job experience, and telework experience. Employee demographics have a variety of effects on the WFH experience.

Work life balance does not literally mean an identical time partition. Equal number of hours for work and personal life does not mean it is WLB. Also, it is almost unrealistic to do that. Flexibility is the key to this. WLB must include two key concepts: achievement and enjoyment. A three-dimensional model of work-life balance was formulated by Hayman in 2005 ^[4]. Work-life balance has these dimensions according to this model: work interference with personal life (WIPL), personal life interference with work and work-personal life enhancement.

II. METHODS AND MATERIALS

The research design used was descriptive- comparative- correlational. The study is descriptive for it described the work from home experience (WFHE) of the accounting business process outsourcing (ABPO) employees along areas of motivational factors, inefficiency factors; and required qualities for work from home. Work-life balance (WLB) on the other hand was described along the three dimensions adopted from Hayman (2005) ^[4].

The study is comparative since it explained the significant difference in the WFHE and WLB of the respondents when grouped according to their profile variables: sex, civil status and generation.

The study is also correlational because it sought to assess and identify if work from home experience (WFHE) relates with the work-life balance (WLB) of the employees of accounting business process outsourcing (ABPO) companies in Clark, Pampanga.

The study was conducted in Clark Freeport and Special Economic Zone (CFEZ), sometimes known as Clark, a region in the Philippines' Central Luzon. The number of ABPO companies in the area is large enough for a worthwhile study because thousands of employees are working here. The current study will focus on ABPO companies offering professional accounting, bookkeeping, tax, consultancy, and related business management expertise. A total of 265 valid responses were collected in the study.

A structured questionnaire was used in the study. The first part described the employee demographic profile as to sex, civil status, and generation.

The second part covered the work from home experience (WFHE) of the employees. The questions were adapted from the study of Raišienė, et. al (2020) ^[3]. The measures that evaluated motivational factors of work from home consisted of nine items which described the benefits of work from home. The measures that evaluated the inefficiency factors of work from home consisted of 24 items. The measures used described the disadvantages of work from home. Required qualities for WFH was measured using a five-item scale.

The third and the last part of the questionnaire measured the work life balance (WLB) of the employees. The 15-item WLB questionnaire by Hayman (2005) ^[4] that covered work interference with personal life (WIPL); personal life interference with work (PLIW) and work personal life enhancement (WPLE) was fully adopted without any modification.

All constructs of work from home experience and work-life balance were measured using a five-point Likert scale, i.e., 1- strongly disagree and 5- strongly agree. The survey instrument used in the study was resubjected to reliability testing using Cronbach alpha and yielded the following scores: motivational factors of WFHE, 0.78; inefficiency factors of WFHE, 0.93; required qualities of WFHE, 0.90 and the work-life balance, 0.94.

To further explore and substantiate the initial findings of the study, the researcher conducted interviews. The interviews conducted enlightened the researcher more on the variables studied and on other areas needed for enriched in the study and

before it was concluded.

III. RESULTS AND DISCUSSIONS

Demographic Profile of the ABPO employees

Majority of the ABPO employees were female (72%) and only a quarter of the employees were male (28%). Most of the ABPO employees were single (87%). Only a small percentage of them were married (13%). Majority of the ABPO employees were members of Generation Y (63%) while the remaining were Generation Z (37%).

Work from Home Experience (WFHE) of the ABPO employees

Motivational factor is the construct that covered the advantages of work from home. Among the advantages noted with strong agreement was related to savings on both time and money in commuting to the workplace (4.75). Since Clark, Pampanga is a very busy and industrialized area, the employees greatly appreciated the time and money saved from the commute to and from the office. Notwithstanding the transportation costs, employees also saved an hour or two from commute, which in turn can be utilized for household or other office tasks. Most of the respondents strongly agreed (4.57) that working from home allows them to choose their workspace or workplace. Because of the pandemic, ABPO employees were required to work from their home for safety purposes. This made every part of the house an office at the same time. All areas at home may now be considered as a workplace or workstation, allowing the employees to work where they are most comfortable. Another advantage of working from home noted in the study was related to the fact that the ABPO employees can avoid the use of formal dress codes and appearance-related requirements at work (4.36). Since they are at the confines of their homes, they can choose to wear their most comfortable clothes while performing their tasks. Overall, the employees agreed (4.08) that there were a good number of advantages on work from home arrangements that adds motivation for them to accomplish job related tasks.

Inefficiency factor is the construct that covered the disadvantages of work from home. Among the factors included in the measurement of inefficiency, the highest measure rated with disagreement is that work from home set-up (WFH) results to misunderstanding on the part of family members (2.04). It means that the relationship of the family members is not being compromised by the fact that members of the family are working from home. Two factors noted with agreement on the part of the employees were WFH limits face to face interaction with colleagues (4.24) and WFH limits face to face interaction with manager (3.98). These means that the interactions of the employees for work-related conversations or communications to their co-employees and managers were affected at some extent while they are working from home. It was interesting to note that building mutual trust is not an issue experienced by the employees even though there was limited face to face interactions with colleagues (2.34) and managers (2.34). Although the employees do not see each other face to face more often, the trust they have with their colleagues and managers remains to be strong and was unaffected by the absence of face-to-face interactions. Surprisingly, the employees did not significantly experience the inefficiency of working from home as evidenced by the overall mean of the inefficiency factors (2.80).

Qualities required to work from home is a construct that identified the most important qualities needed to have a good experience working from home. The measure that earned the highest mean score was related to strong personal responsibility of one's work by completing expected output assigned to work for (4.50). This meant that the dedication of the ABPO employees to complete the assigned tasks for the day is especially important for them. In addition, organizational commitment (4.41) is a key to one's personal responsibility to finish expected output as it acknowledges the employee as a contributor toward the attainment of the organizational objectives. The ABPO employees also agreed that working from home requires them to be digitally literate (4.43). The ABPO employees are using various office applications, working with accounting software, cloud applications and related technologies to communicate with their clients and finish their job. Being digitally literate therefore is very essential.

Work-life Balance (WLB) of the ABPO employees

As to work interference with personal life (WIPL) dimension of work life balance, the employees responded with disagreement on the measure that their job makes their personal life difficult (2.28) and their personal life suffer because of work (2.42). Stated positively, the employees are also happy with the amount of time for nonwork-related activities (2.33) which means that they still have time for rest, leisure, social, and recreational activities after work. Also, the employees do not neglect personal needs because of work (2.42). They make sure that there is sufficient time and energy to pursue personal needs after work. The overall mean score of Work Interference with Personal Life (WIPL) dimension was 2.42 (Disagree). This means that the work of the employees did not interfere with their personal life.

As to personal life interference with work (PLIW) dimension of work-life balance, the employees disagreed that their work suffers because of their personal life (1.98), which means they do not sacrifice time and energy they needed for work

due to personal activities. Likewise, employees' personal life did not exhaust them too much to work effectively (2.21). They still have energy to effectively work even after personal related activities. Findings also suggested that the personal life of the employees did not drain their energy for work (2.27). It means that the employees always have energy to complete assigned tasks after using energy for personal matters. Likewise, if the employees are facing personal matters and issues, it would not cause difficulty when it comes to completing tasks (2.28). The focus needed for work is not compromised by personal problems and challenges. The overall mean score of Personal Life Interference with Work (PLIW) dimension was 2.19 (Disagree). This means that the personal life of the employees does not interfere with their work.

As to work-personal life enhancement (WPLE) dimension of work-life balance, the personal life of the employees gives them energy (3.73) and better mood (3.81) to pursue work. This essentially meant that personal life activities give them energy to pursue work and the right mood to do work. The job of the employees also gives them the energy (3.61) and mood (3.58) to pursue their personal life matters. This effectively conveyed that the job of the employees boosts positively the energy and mood of the employees to pursue non-work-related activities such as rest and recreation, travel, and socialization activities with friends. It is interesting to take note however, that personal life enhances work life more than work enhances personal life. This was depicted in the higher mean scores of the measures related to personal life enhancement to work (3.73 and 3.81), than work enhancement to personal life (3.61 and 3.58). Work-personal life enhancement (WPLE) dimension garnered an overall mean of 3.68. This means that work and personal life were enhanced even when ABPO employees worked from home.

Overall, taking into consideration the three dimensions of work-life balance combined: work interference with personal life; personal life interference with work; and work-personal life enhancement, the work-life balance of the ABPO employees was rated "Good" (3.67).

Difference as to the Work from Home Experience of the ABPO employees

Demographic profiles of the respondents were seen as determinants or factors that affects the work from home experience of the employees in various studies conducted in the past. ^{[3][5][6][7][8]}

For this reason, this study investigated these profiles to assess if there will be any significant differences if the employees were grouped according to demographic profiles.

When grouped according to sex, there is no significant difference (p -value .69) in the responses of the male and female employees under motivational factors. The findings of the study are the same as the findings of Almarzooqi and Alaamer (2020) ^[5] in their study that found out that work from home is indeed advantageous to the employees. Men and women did not have significant differences on their view regarding these advantages. This refuted the findings of Chung, et al. (2020) ^[7] when they emphasized that female employees appreciated more the advantages and disadvantages compared to their male counterparts.

However, under inefficiency factors, there is a significant difference noted (p -value $<.001$) Male employees tend to be affected more of the inefficiency than female employees. This finding is consistent with the findings of Raišien'ė, et al. (2020) ^[3] who also concluded that men generally assessed WFH more negatively than women. Chung and van der Lippe (2020), however, concluded that working from home is beneficial more on men than on women, while Thevenon, et. al., (2016) ^[8] concluded that views on work from home arrangement does not differ between sexes. Male and female groups viewed the qualities to do work from home in the same manner. No significant difference (p -value .53) was noted in their responses.

When grouped according to civil status, there is no significant difference noted in the responses of married and single employees in the construct motivational factors (p -value .08), inefficiency factors (p -value .86) and required qualities to work from home (p -value 0.46).

When grouped according to generation, there is no significant difference noted in the responses of Generation Y and Generation Z employees in the construct motivational factors (p -value .77), inefficiency factors (p -value 0.31) and required qualities to work from home (p -value .29).

Difference in the Work-life balance of the ABPO employees

When grouped according to sex, there was a significant difference (p -value .006) in the responses of the employees. Female employees ($\bar{x} = 3.75$) have better work-life balance than their male counterparts ($\bar{x} = 3.47$).

When grouped according to civil status, there was no significant difference (p -value .36) in the work-life balance of single and married employees.

When grouped according to generation, there was no significant difference (p -value .91) in the work-life balance of the Generation Y employees from the Generation Z employees.

Relationship of Work from Home Experience and Work-life Balance

Motivational Factors to Work-life balance. There was a moderate positive correlation ($r= 0.48$, p -value .001) between the motivational factors and work life balance of the ABPO employees. This means that the motivational factors and work-life balance of the ABPO employees were related or associated with one another and moving in the same direction. It can be inferred that if more of the advantages will be experienced and appreciated in their work from home set-up, there will be increased levels of work-life balance. Similarly, if the advantages of work from home will be minimized, there is a moderate possibility that the work-life balance may decrease as well.

Inefficiency Factors to Work-life Balance. There was a strong negative correlation ($r= -0.86$, p -value .001) between the inefficiency factors and work life balance of the ABPO employees. This means that the inefficiency factors and work-life balance of the ABPO employees were related or associated with one another in they move in the opposite direction. This relationship means that the inefficiency factors of work from home experience of the employees negatively associated with their work-life balance and vice versa. If the inefficiency factors are increasing, the work-life balance of the employee tends to decrease and/or vice versa. If the ABPO companies will attempt to increase the work-life balance of the employees, the level of inefficiency factors will be decreased as well. Since the two constructs are inversely related and strongly correlated, if the inefficiency factors will be minimized, the work-life balance of the employees will be better.

IV. CONCLUSIONS AND RECOMMENDATIONS

1. Accounting Business Process Outsourcing (ABPO) administrators may continuously offer work from home arrangement to interested employees rather than requiring all of them to go back to physical offices under the “new normal” or “now normal” after the pandemic. They may offer a mixture of work arrangements such as three-day work from home and two-day work from office or any similar schemes or work arrangement combinations.
2. ABPO administrators may consider organizing monthly face to face activities like socializations that aim to address the problem of limited face to face interaction with colleagues and managers, provided minimum health protocols for the pandemic will still be implemented during the conduct of activities.
3. ABPO administrators may consider revisiting their office feedback or communication mechanism to provide timely responses for timely decision making to reduce employee inefficiency.
4. ABPO administrators may consider assessing the level of competencies of the employees not only on digital literacy but also on communication skills, personal leadership, and organizational commitment to ensure employee dedication and motivation to work.
5. Gender- related programs and activities may be considered by the administrators in offering work from home arrangement in view of the difference in the work-life balance of male and female employees.
6. Government regulators and lawmakers may consider retaining the tax incentives of the Philippine Economic Zone Authority registered and Board of Investment registered ABPO Companies that will allow work from home arrangement to their employees since it is generally favorable for employee’s work-life balance.
7. A study on the relationship of work from home experience on productivity will be a big help for ABPO company administrators’ assessment; and work-life balance relationship with employee retention to understand the eventually effect of work from home in retaining employees.
8. This study can be replicated and conducted to other industries other than the Accounting Business Process Outsourcing industry to study the work from home experience of the employees and their work-life balance.

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AUTHOR'S PROFILE

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