

Employee Family Participation Measures from the Perspective of Enterprise Transformation

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Abstract

Enterprise transformation often brings enormous stress to employees - especially from family members. This can cause resistance and ultimately lead to failure to transform. Research that family-friendly policies have limited effect in reducing work-family conflict. Instead, proactive work-family culture and support is more helpful in maintaining balance between characters. Enterprise transformation increases work-anxiety and weakens the affect of work-family measures. The case company, a Taiwanese lubricants distributor, was established in 1959. It places strong emphasis on professional knowledge and family-life, and promotes family participation in company events. The case company has created various family-oriented activities including sports day, family travel, and camps, to increase the level of interaction between employees and their families. Different activity proposals are designed based on groupings of the average age of the children of employees. Employees are encouraged to participate using paid leave, thereby increasing the usage of paid leave allowances and reducing cost. The case company values employee work-family balance. This emphasis on family participation creates stable teams and increases productivity as a whole. Businesses should monitor and proactively intervene to reduce employee stress and ensure successful enterprise transformation.

Keywords: Family member participation, Work-Family Border/Boundary Theory, enterprise transformation, case study

1. Research Background

Research regarding enterprise transformation often mentions that such upheavals cause significant psychological stress to employees (Fu Chuanfeng, 2018). In response, employees may resist through behaviors such as slacking or resigning, which contribute significantly to the failure of the attempted transformation. Work-related stress is one of the most important health problems in the modern age, and a prominent psychological issue in enterprise human resource management. According to existing research, employee stress may originate from the business itself, as well as society, family, work, or personal character etc. Yet regardless of its source, overly high levels of employee stress cause significant negative consequences for an organization.

Further research into the source of stress reveals that a certain percentage comes from the destruction of stable work/family balance. The stress may even originate from social pressure exerted by members of the employee's own family (including spouse, children, extended family and friends etc.) During enterprise transformation, such as when transitioning to remote work, employees may find it impossible to achieve consensus with family members while redefining the boundaries of work and family domains. This lack of consensus can cause clashes between work and family, and ultimately result in resistant behavior under pressure (Netemeyer, Boles, & McMurrian, 1996).

Due to these reasons, promoting work-family balance for employees has long been an important issue in human resource management. Much literature also explores, from different theoretical frameworks, how best to assist employees in maintaining physical and mental health, as well as manage work and family life, through various different measures, including working condition and welfare related policies, with the aim of reducing the mutual interference caused by work and family (Grover, & Crooker, 1995).

However, our research has found that these human resource oriented discussions basically ignore an important group of stakeholders in this scenario, i.e. the family members themselves. After all, they are often the ones who exert pressure upon employees during enterprise transformation (Greenhaus, & Beutell, 1985). As family members are an important source of stress, work/family balance measures could be better designed to create more direct communication and connection between business and the families of its employees. Through mutual understanding and social connections, the stresses faced by employees may be more effectively reduced, and a balance between work and family maintained.

This study explores a typical small-medium sized Taiwanese business, and its attempts to connect with employees' families through specific measures. By maintaining a healthy and friendly channel of communication between the organization and the family of its employees, the company ensures that employees can concentrate on work during various transitional processes, and prevent potential resistance, including mass resignation.

2. Literature Review: Employee Family Participation Measures and Enterprise Transformation

Relatively little is known about the effectiveness of family-friendly policies in reducing conflict between work and family interests (Premeaux, Adkins, & Mossholder, 2007). After surveying 564 employees, Premeaux, Adkins, & Mossholder discovered that family-friendly policies had little impact on felt-conflict. However, proactive work-family culture and family support could help employees achieve balance between work and family roles. Konrad and Mangel (2000) examined the adoption of work-life programs and its impacts upon company productivity, and found that the percentage of professionals and female employees related positively to the impact of work-life programs upon productivity. Chiu Ya-Ping and Lai Su-hui (2017) took full-time employees in Taiwan's tech sector as their subjects, and found

that although work-family measures can reduce conflicts, when work-related anxieties rise (such as during enterprise transformation), the effects of said measures were weakened.

When exploring work-family conflicts, the theory most often used is work and family border/boundary theory. This type of theory examines the interaction between employees and work, as well as employees and family, in terms of the configuration of domains and boundaries, in order to analyze the deeper reasons for work-family conflict, and propose strategies to further work-family balance (Li Yuan, 2013).

Segmentation and integration are the two major strategies used to manage work and family domains (Andrews, & Bailyn, 1993). Each of the strategies have their strengths and weaknesses. Division reduces the difficulty in creating, maintaining, and managing domain boundaries, allowing for clearer role-switching requirements and reducing the confusion experienced by individuals. However, this separation often artificially amplifies the differences between fields, thereby increasing the role transition span, making it more difficult to cross role boundaries.

On the other hand, integration strategies more commonly seen in eastern businesses simplifies the process of role boundary crossing by minimizing the role transition span. Its greatest weakness is that individuals may face the demands of many roles (for instance, seeking for a second-generation business successor within the family). This creates conflicts of priorities, attention allocation, and time, and increases the anxiety and perplexities felt by the individual due to confusion between roles.

In a stable environment, employees are able to cope with such pressures. However, in the face of change, for instance, during enterprise transformation, stress levels can elevate rapidly and cause major threats to transformation. For instance, during the pandemic, many businesses began to promote remote work. This proposal should have been welcomed by employees. However, research shows that in many instances remote working created environments characterized by borderlessness, causing work and family domains to significant overlap (Yen Ming & Cheng Shih, 2024). This change substantially altered the previous research and practice premise that work and family can be effectively distinguished. As a consequence, conflict between work and family increased for employees, which lead to elevated stress.

To sum up, when faced with change and adjustment, whether intentionally promoted by the business, or unintentionally occurring due to alterations in environment or within an employee's own family, the resulting pressure on employees can affect performance, or lead to resistance which in turn affects the operations of the organization.

Therefore, management and HR must be alert to these changes, and proactively adjust relevant measures concerning work-family balance to help employees adapt to new organizational scenarios. This would then ensure the loyalty and stability of employees, and increase productivity for the organization as a whole.

3. Case Company Profile

Founded in 1959, the case company (Company A) could be considered an "old" business in the Taiwanese setting. Since its founding, Company A has focused on distributing lubricants for ExxonMobil, particularly the Mobil Oil brand. Through six and a half decades of Taiwanese industrial progress, rising demands for machine lubrication has lead to the company's steady growth. Currently, Company A provides lubricants for industrial and automotive applications, the packaging of oil-related products, as well as professional logistical services.

The current company headquarters are located in Linkou District, New Taipei City, which includes sales and warehousing departments. There are also sales and warehousing locations at the Taichung Harbour Related Industrial Park, and the Kaohsiung Dafa Industrial

Park. In 2022, a dangerous goods warehouse which meets the highest ESG standards was built in the Changhua Binhai Industrial Zone. Alongside strategically placed warehouse locations, Company A has its own fleet of trucks which supply customers all over Taiwan. More uniquely, Company A has invested heavily in digitalized management systems, and all office/warehouse locations are linked via high-speed networks. With its integrated data network, Company A continually embraces transformative technological and business innovations. It has received many accolades from ExxonMobil and other business partners, and is widely acknowledged as a benchmark organization in its field.

Furthermore, Company A is an industry leader in tribology (the study of lubrication). As such, employees (particularly sales representatives) receive on-going professional training in order to provide informed customer service. The company also includes a publishing department, which produces Taiwan's only lubrication-related journal, and has compiled various authoritative technical guides.

4. Case Company Family Participation

John D. Rockefeller once surmised that those who see work as pleasure work in heaven, but those who see work as duty work in hell. This observation is a testament to the importance of a good working environment. Company A was found in 1959, at a time when small-medium sized businesses did not necessarily enjoy any holidays at all. Yet Company A employees were familiar with Mobil Oil employee benefits, including paid leave and two-day weekends. At the time, when necessary, employees had to negotiate "incidental leave" with employers, with no guarantee of compensation. In other words, the relationship between employer and employee was almost purely transactional.

In 1974, the Taiwanese government began its decade long economic development plan, with increased investment in key industries including: manufacturing, electronics, transportation etc. The subsequent economic boom cemented Taiwan's position as one of four "Asian Tigers". In the 1980s, a second generation entered Company A, and the company expanded rapidly in size. While demand for lubricants grew rapidly with industrial and economic expansion, tribology remained an elusive field situated between the chemical and the mechanical. Without dedicated paths toward lubrication related knowledge, firms like Company A had to invest heavily in training, and the accumulation of experienced staff.

Economic prosperity also brought competition for labor, and turnover rates were high. From the example of US-based Mobil Oil, Company A learned that retaining employees was the only way to accumulate know-how. In addition to offering competitive wages, the company focused on how to, among its staff, increase a sense of identification with the company and with colleagues.

Therefore, ahead of governmental regulation relating to two-day weekends, Company A offered an additional half-day weekend leave, and 7 days of paid leave to all staff in the first year of their employment. Significant efforts were made to promote work/life balance and the right of employees to enjoy their leisure time.

The 1980s was a period of rapid growth. At the time, staff were relatively young, as most were new graduates or recently released from compulsory military service. The average age was about 30, and Company A often organized social events which focused on youthful activities such as sports and camping. Several pairs of colleagues became married to each other and remained on staff afterwards.

In the 1990s, as staff began to have children, the company's social events gradually turned its focus to family-friendly activities, including the establishing of its Children's Scholarship and the associated award ceremony at each annual banquet. After 2000, as various local branches were established, colleagues shared many phone calls but few in-person meetings. A Family Sports Day was therefore added to the annual banquet. This

event, encompassing a day of family-friendly games and dinner banquet, followed by the scholarship awards, became the highlight of the company social calendar, and brought together the entire staff once a year.

In 2020, the three-year long covid-19 pandemic brought an unexpected halt to these traditions. For three subsequent years, staff worked from home. Or, occasionally, by repurposing empty conference rooms as remote-learning classrooms, they brought their children to the office.

Post-pandemic, the general manager of Company A, who has long placed much emphasis on family-participation, considered asking HR to resume these traditional events. Yet, surprisingly, the staff responded to the suggestion with indifference, much contrary to the original enthusiasm with which these activities were met when they were first instituted. Furthermore, when examining the rate of paid leave usage, it was discovered that staff have been making less use of paid leave since before the pandemic began, and the rate continues to decline. While a decline in staff taking paid leave during the pandemic is reasonable, the lack of reversal in this downward trend, and even the absence of any “revenge holidays” after the lifting of covid restriction, constituted a warning sign of work-family imbalance.

On the surface, the reduction in paid leave usage seems simple. Firstly, due to heavy workload and limited workforce, employees may be unable to take full advantage of paid leave. Secondly, the revision of the Labor Standards Act in 2016 stipulates that any unused paid leave accrues an additional 100% compensation. As a result, the wage for each unused paid leave day is doubled. This may have become a disincentive for colleagues to use paid leave, and a subsequent reduction in family-time.

To solve this problem, the HR manager conferred with various employees who had not made full use of their paid leave to better understand their situations. Through these interviews, HR discovered some circumstances related to the rate of paid leave usage, and explored potential countermeasures to restore work-family balance.

5. Case Company: Proposed Solutions

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Company A discovered that paid leave usage can be divided into two categories:

- (Proactive) Planned leave: dates determined in advance, and activities arranged. For instance, holiday travel, accompanying children to exams, attending reunions etc.
- (Passive) Unplanned leave: unexpected situations which require immediate attention. For instance, accompanying family to medical appointments, urgent home repairs etc.

During the interviews, it was also discovered that Type A can be further subdivided into three subcategories:

- A1: Personal leisure, such as dating, shopping and other private activities
- A2: Family time, such as gatherings and events with parents and children
- A3: Hobby learning, such as participating in arts courses

Company A has been in existence for 65 years, and its employees belong to many different age groups with varying holiday priorities. However, the majority of staff share A2 activities in common. These types of events may therefore provide a point of leverage in incentivizing employees to increase their paid leave usage.

Based on the above analysis, HR suggested the following:

5.1 Categorize Paid Leave Types based on Children's Ages

When considering the characteristics of A2 type paid leave, the average age of employees' children is a determining factor. Based on this principle, a classification is as follows:

- A2-1 (1-15 years): restricted by school schedule; summer and winter holiday activities should be prioritized.
- A2-2 (16-25 years): children may have part-time work/internship needs; employees may have time for individual holidays.
- A2-3 (over 25 years): employees may have to care for elders; couples may have opportunities for holidays together.

5.2 Different Proposals for Each Grouping

Different proposals could be designed to suit the needs of each group. For instance:

A2-1 Group

- Summer/Winter Camps: for instance, a "3D Printing and Robotics Camp" was held for employees' children during winter school holidays in 2023. In future, camps could be designed to include parental participation.
- Family Travel: for instance, Company A could offer family travel packages for employees, including subsidies for accompanying children or parents. Destinations could include famous sights in Taiwan (three to four day tours of North Coast, Central Taiwan, or Southern Peninsula), and pit-stops tours of branch offices.

A2-2 Group

- Sponsorships for individual or group travel for employees

A2-3 Group

- Annual travel subsidies or subsidies for family participation
- Subsidies for short term courses of interest

In order to encourage more usage of paid leave, the above activities should not take place during national holidays. To improve feasibility, multiple different vacation/activity offers should be presented with considerable lead-time, allowing employees to choose the most advantageous way of utilizing their paid leave. Feedback should be encouraged, and satisfaction surveys conducted afterwards to determine how the implementation could be improved.

6. Conclusions

From the adjustment process, it is apparent that Company A has been a benchmark organization due to its ability to self-assess and adapt. More specifically, an in-depth examination of the decline in paid leave usage rate reveals that the most fundamental reason for its success is the importance Company A places upon work-family balance, and the fact that it intervenes proactively. This creates a stable environment for the fostering of professionally trained and experienced staff. When faced with organizational adjustments, these employees are able to receive support instead of censure from their families.

For Company A, which needs to continuously promote corporate change, such organizational conditions are one of the reasons why it can continue to improve and maintain its leading position amongst industry peers.

This study believes that in the era of digital transformation, business and HR managers must continually monitor whether employees are maintaining the necessary balance between work and family, and proactively intervene with suitable measures to help reduce their stress. By proactively adapting existing balancing measures, employees can be eased into new organizational structures. Given these conditions, employees are more likely to remain loyal and stable, and business transformations may truly improve productivity.

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