

The Work and Family Balance and Extended Internal Market Orientation

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Abstract: The serious labour shortage and the response to market pressure have been significant incentives for Chinese manufacturers to consider how to help migrant workers to have a balance between their work and families. For this reason, this study applies the internal market orientation as a tool to solve these problems, which firstly contributes to existing theory by establishing an extended internal market orientation framework, which not only address employees' needs at work but also their needs in family life. Second, this conceptual framework contributes to the literature by indicating the significance of the mediated role of work-family balance between extended internal market orientation and various consequences. The face-to-face interviews which revealed the employee happiness, continuance commitment and affective commitment were the most direct employees' outcomes are applied to explore and develop this realistic framework. Last, instead of applying SET, this study applies the border theory and the theory of work and family enrichment into internal marketing field for the first time.

Keyword: *Extended Internal Market Orientation, Employee outcomes, Work-Family Balance*

Track: *Marketing Strategy & Theory*

1. Introduction

Migrant workers account for approximately 40 per cent of labour forces in the manufacturing industry. These workers form a crucial part of the workforce in China, which benefits and accelerates economic development in China. However, statistics show that 92 per cent of Chinese enterprises are severely affected by problems of the shortage and the low quality of the labour force (Wu, 2016). In particular, manufacturers in coastal areas of China experience serious challenges, such as higher taxes, structural transformation, stricter environmental and safety regulations and increased wage costs (BSR, 2010), which have resulted in increasing labour costs and production costs in the manufacturing industry (Jin, 2016).

There are many reasons why the manufacturing industry suffers most in terms of a serious labour shortage. Migrant workers are usually poorly paid and need to work extended hours, they have little job security, more health problems, poor living conditions and inadequate social insurance (Li and Li, 2007; China Labour Bulletin, 2017). Compared to working near their home towns, migrant workers are discriminated against in urban communities, and they are blamed for social disorder (Hesketh, et al., 2008). These are reasons why migrant workers are currently returning back home for work, as it means well-equipped facilities, cheaper living costs and, more importantly, they also have time to spend with their families (Chan, 2009).

Faced with serious labour shortages and managerial challenges towards the younger generation of migrant workers, manufacturers are struggling with recruiting and retaining workers, as well as fulfilling increasing orders with an industrial upgrade (BSR, 2010). The labour shortage and the response to market pressure have been significant incentives for organisations to consider how to help migrant workers to have a balanced life between their work and families.

Internal marketing is defined as viewing employees as internal customers and viewing jobs as internal products that are satisfying internal customers' needs, while achieving the company's objectives (Berry, 1981). In order to understand more about migrant workers' needs, a good strategy is to adopt an internal marketing programme. As IM philosophy tends to be a long-term strategic management philosophy rather than a short-term operational strategy (Gyepi-Garbrah and Asamoah, 2015), it is better to enhance IM philosophy through an efficient management style (Sincic and Vokic, 2012). In response, internal market

orientation (IMO) was developed, which is consistent with the market orientation (MO) of Kohli and Jaworski (1990) to the context of manager-employee exchanges in the internal market of an organisation (Lings and Greenley, 2005).

IMO is thus considered to be a facilitator for employee-employer exchanges in internal markets, aiming at balancing employees' perceptions of what they put in and what they get out of their jobs (Lings and Greenly, 2005). In generally, IMO is not only a way to tackle issues relating to individual employees, but is also believed to increase interdepartmental relationships and a firm's performance (Yu, et al., 2017). In this study, extended IMO is expected to tackle problems that manufacturers meet in China. This is proposed to be achieved by satisfying employees' needs on work and life and then balancing the concepts of work and family.

2. Literature Review

2.1 Work and family border theory

Work and family border theory interprets that people who are border-crossers make daily transitions between the domains of work and family, through which people shape their environments and, in return, people are shaped by them. The transition determines the border-crossers' relationships to that world and its members (Clark, 2000). The theory addresses how domain integration and segmentation, border creation and management, border-crosser participation, and relationships between border-crossers and others at work and home influence work and family balance (Clark, 2000). Work and family life influence each other, so employers' societies and individuals cannot ignore one sphere without potential peril to another (Cowan and Hoffman, 2007).

2.2 Theory of work-family enrichment

Grzywacz (2002) proposed one theory demonstrating positive interdependencies between work and family roles. The theory of work-family enrichment is defined as the extent to which experiences in one role improve the quality of life in another role. And work and family enrichment is bidirectional, which includes both work-to-family and family-to-work enrichment (Gareis, et al., 2009), and it is also the positive side of work and family interface, while individuals' identities and informal or emotional support within domains are associated

with higher enrichment. Indeed, researchers have increasingly examined positive relationships between work and family lives (Greenhaus and Powell, 2006).

2.3 Internal Market Orientation

Compared with internal marketing, which is proposed as an employee-friendly managerial philosophy that affects a firm, IMO is a set of operational activities to influence employee behaviour (Lings and Greenly, 2005). Adopting IMO would increase the effectiveness of a company's IM (Gounaris, 2008), which is also a key to understanding employees' values (Gounaris, 2008). Lings (2004) developed a construct, namely internal market orientation (IMO), but this was not valid. Following this, Lings and Greenly (2005) made a valid contribution to the IMO construct, which involved formal information generation (written, face-to-face), informal information generation, information dissemination and responsiveness.

In two decades, literature into IMO has been extended to include various aspects, such as employees' levels, customers' levels, and organisational levels. Generally, IMO influences the satisfaction of employees and the quality of service perceived by customers. With the greater the firm's market orientation, the more profitable the firm will be. A great number of studies have focused on employees levels, such as employees' performance (Rusu, Avasilcăi and Hutu, 2016), employees' job satisfaction (Gouraris, 2008; Tortosa-Edo, Miguel and Moliner-Tena, 2010), and employees' retention (Lings, 2004; Lings and Greenly, 2005). Also, some studies have been conducted to study the relationship between IMO and organisational performance directly and indirectly (Lings and Greenly, 2009; Tortosa, Moliner and Sánchez, 2009; Yu, et al., 2017).

3. Conceptual Framework

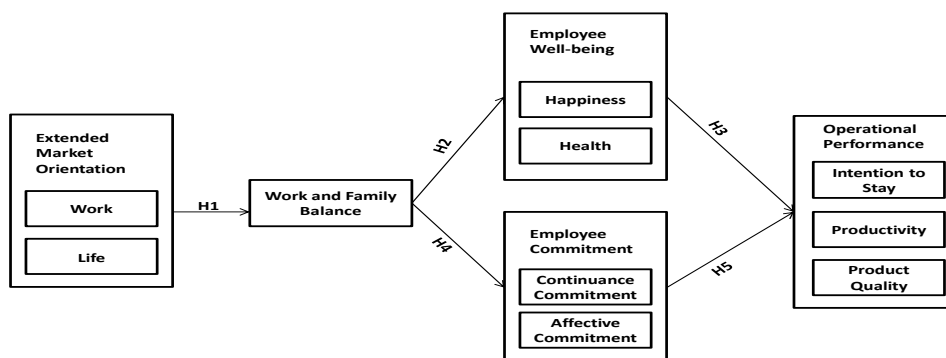


Figure 1 Conceptual framework

3.1 The Extended Internal Market Orientation and Work-family Balance

IMO motivates employees by satisfying their needs at work through information generation, dissemination and responsiveness to encourage employees to perform better and to offer superb services, which ultimately improve customer retention and enhance the success of the company (Lings and Greenly, 2010). However, the extended internal market orientation (EIMO) is built based on border theory and work and family balance theory. EIMO is not only to satisfy employees' needs at work, but also to satisfy employees' needs in life. Even more, according to Ruizalba, et al. (2014), the work and family balance has been built as one of the sub-dimensions of the responsiveness of intelligence. WFB is crucial in IMO research, since it is an important aspect of employees' needs. It is reasonable to propose:

Hypothesis 1: The extended internal market orientation will have positive effects on work-family balance

3.2 Extended IMO and Employees' level of outcomes

Work-family conflict significantly predicted an employee's level of well-being over and above social desirability bias (Vallone and Donaldson, 2001). One study stated that it was not the long working hours that influenced employees' well-being, but the nature of work or pressure on work (Thompson and Prottas, 2005). Employees' well-being may be affected by heavy stress or strain at work or in the family, and work and family balance is as an effective way to decrease stress at work (New Economic Foundation, 2014). Work engagement is regarded as a positive perspective of employees' well-being, while stress or burnout indicated a negative perspective. Specifically, work-life balance has implications for employee attitudes, behaviours and well-being as well as organisational effectiveness (Eby, et al., 2005), so this study proposed that:

Hypothesis 2: Work and family balance will have positive effects on employees' well-being

According to Taris and Schreurs (2009), they discussed that a high level of emotional fatigue can lead to employees being unable and being unwilling to perform works well. On the contrary, a high level of well-being would result in high level of motivation, this may lead to work overload. Furthermore, higher levels of individual-level motivation and performance are promoted by individual-level well-being, which would lead to higher level of

organizational performance (Bakker et al., 2008). In addition to Harter et al. (2002), higher levels of subjective well-being which is concerned with people's affective reactions or feelings towards many different aspects or domains of life, including their housing, family life and so on, were associated with higher productivity. When the employees feel happy, they will have higher subjective wellbeing. This will lead to employees performing at a higher level in the jobs. Therefore, this may also affect not only the productivity but also the product quality, so this study proposed that:

Hypothesis 3a; 3b; 3c: Employee well-being will have positive effects on productivity; product quality; intention to stay

In general, the employee commitment is divided into three: affective commitment, continuance commitment and normative commitment (Allen and Meyer, 1996). There have been various studies to explore the relationship between work- family balance and employee commitment. There was one study find that not only in public sector but also private sector, the work-family balance is positively related to organizational commitment (Sethi, 2014). The work life balance influences the employee commitment as the organization offers the flexibility to female employees' daily work, and then they have the time to take care of their family without annoying by their workloads (Nguru, 2018). So this study proposed that:

Hypothesis 4a; 4b: The work and family balance will have positive effects on continuance commitment; affective commitment

Organisational commitment is a person's attitude to work, which reveals s/he identification with and involvement in a particular organization (Nwagbara and Akanji, 2012). According to Nwagbara and Akanji (2012), they elaborate that the employee commitment mediated the relationship between work and life balance and organizational performance. The employee commitment is one of the most important factors that affect organisational growth and productivity in an organization (Padala, 2011). There is one study revealed that the employee who has higher levels of commitment were less likely to have the intention to leave their organization (O'Neill et al., 2008). So this study proposed that:

Hypothesis 5a; 5b; 5c: The continuance commitment and affective commitment will have positive effects on productivity; product quality; employee intention to stay

4. Methodologies

4.1 Face-to-face interview

Based on the research questions, face-to-face interview has been applied in this research, which was designed to obtain the most extensive opinions of respondents' understandings about work-family balance in Chinese context, correlations between extended internal market orientation and various levels of outcomes. Specially, pattern matching was ensured to be effective analyzing the data involves the comparison of a predicted theoretical pattern with an observed empirical (Sinkovics, 2018) so this analysis will be performed. Besides, the managers were expected to give their opinion on what the challenges and emergent issues they met. Especially, all of these participants were also expected to demonstrate what had been their needs at work and life respectively, and these benefits to explore the valid construct of the extended internal market orientation in next further step.

These interviews were expected to provide the broadest context on examining this realistic conceptual model. This consisted of 30 face-to-face interviews, with one manager and one worker in each organisation, from 15 various manufacturers in Guangdong Province. Interviews lasted between 30-80 minutes each and participants will be various migrant workers from different cities, such as Shenzhen, Dongguan, Guangzhou and Huizhou in Guangdong Province. The reasons why interviewed with migrant workers and employees respectively were that first they have different opinions on the work-family balance, second, they have different stance on correlations.

5. Findings from the Interviews

In general, most of the respondents did not know what internal marketing is, but they did agree broadly with the thoughts that the extended internal market orientation contributes to employee trust, morale, engagement, commitment, well-being, and organizational citizenship behaviour. As a result, these employees' outcomes will lead to a positive organizational performance. Besides, the interviewees offered their needs at work and life respectively. The employees' levels of needs were slightly different with managers' level. What the migrant workers want were on time salary, good working environment and comfortable living conditions. Most of the migrant workers who migrated from countryside in other cities to Guangdong City had the prior needs to raising family and investing children's education. They need their organization support the needs not only at work but also at life, such as the living accommodation, tasted food, reasonable vocations and entertainment. Especially, the

couples' room should offer the employees who have family here, and the activities such as the gym room, reading room, and various activities were urgent needs for them to release the stress or burnout. As for the work, reasonable salaries, work intensity, extra bonus, suitable working time, good welfares, well-equipment working conditions, harmony relationship between colleagues, trainings, and career development were the common needs they had.

Compared with the migrant worker, the managers thought that they considered their career development, empowerment, company's agreement and promotion most at their work needs, and their life needs were housing buying, family time, and children's education. In fact, most of the managers agreed with that the life problems will affect the employees' work but will not affect the managers' work. They knew how to balance their work and family because of long time working experience. Controvertibly, most of them thought that to satisfy the employees' needs both at work and life was important for an organization; however, they did not think that the organization should or can satisfy all of the employees' needs. Furthermore, totally all these workers will choose to skip their job to another organization which can satisfy their needs at work and life.

5.1 The Measurement of WFB and the Employees' Levels of Outcomes

All of the respondents thought that the work and family balance was important for them, and the life definitely affected the work, even more, their productivity and product quality.

“We actually spent less time in communicating the life with managers, and I don't think that this company can offer us anything. Therefore, the employee mobility in this organization is serious. Besides, I don't plan to work in here for long time, as my children are growing up, and I need to be accompanied with them.” (Mrs. W in Company F)

Some of the respondents thought that when the organization satisfy their needs and balance their work and life, this affected their continuance commitment and affective commitment.

“Although I just have low level of salary in this organization and I have not stable welfare, it is really hard to skip to another organization with better satisfaction. Because we are around 40-50 years old, you have no choice to find another job fit you better. Also, I have worked in this organization for 10 years and I am familiar with this environment and job. Especially, I have emotional bond to this organization and colleagues.” (Mr. Z from Company J)

Big part of the respondents discussed that after satisfying their work and life needs, there was a positive effect on their psychological well-being, especially, their happiness.

“After my needs are satisfied, this contributes to improving my life quality, and I will be happy when work in here. Therefore, this caused high level of my work efficiency. We will reciprocate them when the organization treats you well.” (Mr. W from Company K)

5.3 The Measurement of the Organizational Operational Performance

These correlations were analyzed mostly from managers’ opinion as they understand the organizational performance better than the employees. In general, the needs are satisfied, than this will have a positive effect on productivity, employee mobility, product quality, work efficiency and attendance. However, most of the managers know that the employees are important to improve the organizational performance, but few of them implemented the family friendly practice to balance their work and family. Compared with this organization, there are some organization treat their employees well, obviously, these organization are big companies. Most of the employees are working over there for a long time with motivated and satisfied.

“We offer them the entertainment room, reading room and organize the various activities, which made them have the feeling of belongings. Therefore, the staff mobility will decrease. Actually, we have high levels of attendance around 95% at the end of the year. Besides, this benefits the improvement of work efficiency and product quality. In facts, if the employee quits the job, we need to spend more in hiring and training a new employee. Firstly, we cannot guarantee the quality. Secondly, we need to spend in trainings. Compared with these, we would rather offer them the bonus than invest extra in trainings.” (Mr. W in Company C)

6. Conclusions

The purposes of this study were first to examine this conceptual model by applying the qualitative method. In accordance with the result of the employees levels of interviews, the employees psychological well-being (happiness) and commitment (continuance and affective commitment) were the core outcomes that closely relevant to the Chinese manufacturing industry. Meanwhile, the interviews with managers that revealed that the important to satisfy the migrant workers’ needs not only at work but also at life, which leads to higher level of productivity, retention and product quality.

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