Work-Life Balance and People-Oriented Management: Enhancing Employee Well-being for Sustainable Business Performance

Sinta E. Permatasari[1], Lu Lilan[2], Zhang Hao[3], Purwanto[4]
Faculty of Business, President University, Bekasi, Indonesia[1,2,3,4]
Jl. Ki Hajar Dewantara, Kota Jababeka, Cikarang Baru,Bekasi 17550- Indonesia[1,2,3,4]
Corresponding Author: sinta.ekapermata@gmail.com

ARTICLE INFORMATION

ABSTRACT

In the realm of management focusing on people's needs and growth also known as leadership plays a role, in enhancing both employees' well-being and the overall success of a company in the long run. It involves giving priority to employee's well-being and development while fostering a work environment based on trust, respect, and empowerment. By adopting this approach employee performance and dedication to the organization are enhanced. A qualitative study was conducted involving HRD managers from five companies to explore the implementation of people-oriented management strategies. The results indicated that emphasizing trust, respect, and empowerment within organizations through communication and engagement initiatives can create a work environment that promotes a healthy work-life balance ultimately boosting employee productivity and performance. Furthermore, this approach contributes to improving employee well-being and loyalty to the organization. Therefore, embracing people-centered management practices can lead to outcomes. It is suggested to promote a healthy work environment by implementing programs such as paid time off, flexible work schedules, digital disengagement, work-life balance education, employee rewards and recognition, and leadership support.

Keywords: Commitment; Employee Performance; Employee Well-Being; Organizational Outcomes; People-Oriented Management

INTRODUCTION

Long-term business performance and employee well-being are largely dependent on work-life balance and people-oriented management. The harmony between a person's professional obligations and their personal life which encompasses their social, recreational, and familial ties is known as work-life balance (Moore in Putri et al., 2021). The overall life space for work highlights the significance of establishing a balance between employees' personal and professional lives (Noer & Kuntag, 2024). It is essential for a worker's overall well-being, job satisfaction, and physical and mental health in any field (Kurnia & Widigdo, 2021; Muttaqin et al., 2022). In addition, Ihwughwavwe and Shewakramani (2024) assert that servant leadership, or people-oriented management, puts employees' needs and development first in order to promote a positive work environment. This approach fosters the values of empowerment, trust, and respect—all essential for the commitment and well-being of workers.

Many studies have been conducted on the relationship between work-life balance and employee well-being. Research has shown that a work-life balance improves employee well-being, which in turn improves employee performance in a good and significant way (Kurnia & Widigdo, 2021; Pramanik & Rahmanita, 2023). This implies that workers who have a good work-life balance are more engaged, productive, and dedicated to their work, all of which contribute to increased business success. The well-being of employees is also greatly enhanced by people-oriented management. Affective well-being was found to mediate the association between work-life balance and servant leadership in a study on the impact of work-life balance on employee performance in the tourism industry (Ihwughwavwe & Shewakramani, 2024). This demonstrates how leaders who put their workers' needs and well-being first can greater work-life balance, which in turn improves employee performance and organizational commitment.

The harmony between a person's professional obligations and their personal life which encompasses their social, recreational, and familial ties is known as work-life balance. Maintaining one's physical and mental health, job satisfaction, and overall well-being depends on how one divides time and energy between work and home life (Andysz et al., 2014).

Servant leadership, another name for people-oriented management, is a leadership approach that puts employees' needs and growth first in order to promote a positive work environment. This approach fosters the values of empowerment, trust, and respect all essential for the commitment and well-being of workers. It comprises putting the needs of the workforce first and creating an environment inside the company that promotes growth on both a personal and professional level (Ahmed, 2022).

Some of the companies that have effectively implemented work-life balance efforts are Google, Microsoft, General Electric, Starbucks, and IBM. Google offers on-site childcare, paid parental leave, and flexible work schedules. Microsoft's "Work-Life Integration" initiative incentivizes staff members to put their health first by offering possibilities for remote work and paid time off. The "Work-Life Balance" initiative of general electric provides on-site childcare, job sharing, and flexible work schedules. Additionally, Starbucks offers wellness initiatives, flexible work schedules, and paid parental leave. These programs have increased worker productivity, retention, and engagement, which has helped them succeed (Thomas et al., 2024).

This study looks at people-oriented management and well-being in five multinational companies. The objective is to ascertain whether these businesses value the welfare of their workers and apply people-oriented management to their commercial operations.

LITERATURE REVIEW

The concepts of well-being and people-oriented management are tightly intertwined, and they have a big impact on the performance and culture of a business. In order to create a positive work environment, servant leadership puts the needs and development of the workforce first. This strategy encourages empowerment, trust, and respect all of which are critical for the commitment and well-being of employees (Wang, 2021).

By placing a high priority on employee well-being, well-being-oriented management (WOM) is a tried-and-true management approach that dramatically improves organizational performance. According to Salas-Vallina et al. (2022), there is a high positive association between WOM and unit-level ambidexterity, or an organization's capacity to change with its environment while preserving stability.

The WOM model is described by Salas-Vallina et al. (2022) as a management approach that emphasizes the contribution of employee well-being to organizational performance. Utilizing research on organizational learning and positive psychology, it examines the relationship between WOM and unit-level ambidexterity—an organization's capacity to change with its environment without losing its stability. The WOM model's foundation in social exchange theory, as emphasized by Gubernator et al. (2023), suggests that individual perceptions of WOM may have an effect on organizational learning and ambidexterity at the unit level in public hospitals. This strategy has been tried in the setting of remote work, where well-being-oriented human resource management (HRM) has proven to be beneficial in helping staff members manage their personal and professional lives, leading to higher levels of job satisfaction and general well-being. Research has unequivocally shown that HRM focused on well-being can significantly benefit telework by assisting individuals in managing their work and personal lives, leading to increased job satisfaction and overall well-being (Gubernator et al., 2023). Research has found that other-oriented empathetic concern is an underlying aspect of extrinsic emotion regulation motives. This improves social well-being measures, such as moral self-identity, peer relationship quality, and perceived social support (Zhao et al., 2023).

Better employee well-being and organizational culture can be achieved through people-oriented management practices like employee-centered management, training and development, open communication, flexible work schedules, work-life balance initiatives, empowerment, leadership development, and team building. Employers who put their workers' needs and development first can foster a culture of empowerment, trust, and respect that enhances teamwork, communication, and productivity (Wang, 2021; Salas-Vallina et al., 2022; Alaskarova et al., 2022).

Setting employee needs and well-being as a top priority is essential to the success and performance of an organization. The WOM places a strong emphasis on the development of unit-level ambidexterity, an organization's capacity to change with its environment while maintaining stability and organizational learning. The social exchange theory states that ambidexterity at the unit level and organizational learning can be significantly influenced by an individual's perceptions of word-of-mouth (WOM). The quality of resource-oriented well-being treatments provided in the workplace is enhanced by the use of intervention logic and evidence-based practice guidelines by WOM theory. The WOM theory is a collection of ethically grounded quality criteria that control the provision of medical care and service administration in publically funded health services (Kopecka-Piech, 2022; Gubernator et al., 2023; Unger et al., 2003; Salas-Vallina et al., 2022).

RESEARCH METHOD

The research is qualitative in nature. The goal of this study is to look into how companies adopt people-oriented management towards their employees in order to shape the company's contribution in terms of work balance, which leads to productivity, performance, and even employee well-being. The purposive sample method is utilized to pick key informants from five multinational corporations in the area who will supply the necessary data. The primary informants are each company's HRD managers. The primary informants are each company's HRD managers. The information gathered in this in-depth interview mostly addresses the trust, respect, and empowerment fostered by the organization through interaction and communication activities implemented by the designated party, in this case HRD. The interview results were then analyzed by looking for important ideas in the transcript that related to the fundamental concepts of people-centered management. The data were selected, sorted, and then presented as a narrative (Erickson, 2011; Lewis, 2015; Creswell & Poth, 2016; Denzin & Lincoln, 2017; Rooryck & Aspaas, 2022; Yagiz & Goderis, 2022; Long, 2024).

RESULTS

Employee-Centered Management and Training and Development are Considered as Examples of People-Oriented Management Practices

Understanding employees' needs and concerns and creating an environment at work that supports their development are the main goals of employee-centered management. Giving staff members the chance to advance in their jobs and pick up new skills can benefit both the company and the individual. Trust and cooperation can be developed by management and staff by promoting honest and open communication. An atmosphere at work that is more positive may result. Providing flexible work schedules can also improve job satisfaction by fostering a work-family balance. Offering job sharing, flexible scheduling, and remote work choices can help staff members manage their personal and professional obligations and has been linked to increased well-being and job satisfaction.

Reducing stress and burnout can help employees manage their work and personal lives better, which can enhance engagement and productivity. This can be achieved by putting programs and policies in place that assist employees in doing so. Employees might feel more engaged and devoted to their jobs when they are empowered, which is achieved by giving them the freedom and tools they need to take initiative and make decisions. Additionally, fostering leadership development is crucial to an organization's expansion and success. Building leaders that put their workers' needs and development first can help to create a supportive and cooperative work environment. Furthermore, fostering strong, cohesive teams that collaborate to accomplish shared objectives can raise workers' sense of belonging and engagement at work.

Businesses may be able to establish an environment at work that values empowerment, trust, and respect by putting these strategies into effect. Both corporate performance and employee well-being may benefit from this.

Organizational Culture and Communication Can Be Enhanced Through People-Oriented Management Practices

Using employee-centered management, which takes into account the needs and desires of employees, is one alternative tactic. This approach fosters an environment at work that supports workers' personal and professional development, which raises job satisfaction and overall well-being. Providing opportunities for training and development is an additional strategy. Offering opportunities for professional growth and skill

acquisition to staff members can be advantageous to the company as a whole. Employees may feel more engaged and valued in their work as a result, which may improve teamwork and communication.

In order to foster trust and collaboration, which can result in a more positive work environment and improved communication, it is essential to encourage open and honest communication between management and staff. Furthermore, offering flexible work schedules might raise productivity and satisfaction levels among staff members. People can better manage their personal and professional obligations by taking use of job sharing, flexible work schedules, and remote work options. Higher levels of well-being and job satisfaction could come from this, which would improve communication.

Consideration of work-life balance initiatives is essential. Stress and burnout can be decreased by putting programs and policies in place that assist individuals in striking a balance between their personal and professional lives. Consequently, there's a chance that output and involvement may rise, which could enhance teamwork and communication. Giving workers the freedom and tools, they require to decide for themselves and accept accountability for their work can increase their commitment to their jobs and level of engagement. More efficient teamwork and communication may result from this. Fostering a friendly and collaborative atmosphere can be facilitated by investing in the development of leaders who prioritize the needs and growth of their staff. Better organizational culture and communication may result from this. Building solid, cohesive teams that work together to accomplish shared objectives can also increase people's sense of connection and interest in their jobs.

DISCUSSION

An organization's performance depends on a healthy work-life balance, according to Pensar & Rousi (2013), Kumar (2014), and Soriano-Rogel (2017). Businesses might help this by offering generous parental leave policies, training programs, employee support programs, and flexible work schedules. These tactics support staff members in maintaining their physical and mental well-being, lowering stress and preventing burnout, and encouraging candid communication. It can also be advantageous to encourage staff members to openly address work-life balance issues with managers and HR representatives. Acknowledging and recognizing people who successfully manage their professional and personal lives can encourage others to follow suit. Support from the leadership is also necessary to encourage a positive work-life balance. Mardhatillah and Buana (2018) state that by implementing these strategies, employers can create a work atmosphere that promotes employee well-being and boosts output.

The five HRD managers provided information about their actions to enhance their work performance or predictability by encouraging them to take breaks and time off in order to achieve work-life balance, based on their interviews. In return, following a break, workers were usually able to rediscover their work passion.

Businesses frequently adopt several strategies to motivate staff to take time off for work-life balance breaks. One common approach is encouraging employees to take frequent breaks during the day, allowing their bodies and minds to rest. This is achieved by creating a culture where breaks are viewed as beneficial and essential. Additionally, businesses introduce flexible work schedules, enabling employees to start and end their workdays at different times to better balance work and personal obligations. Offering robust paid time off policies, such as vacation, sick, and personal days, also encourages staff to take time off when needed. Another strategy is promoting digital disconnection, urging employees to disconnect from work-related devices and communications during

their time off to fully recharge. Providing training programs on time management and stress reduction helps staff manage their personal and professional lives effectively. Recognizing and rewarding employees for taking breaks and time off can inspire others to do the same. Lastly, businesses encourage leadership support, motivating supervisors to assist staff in taking breaks and vacation time and fostering a work environment that prioritizes work-life balance.

According to Soriano-Rogel (2017), Kumar (2014), Pons (2023), and Pensar & Rousi (2023), work-life balance and people-oriented management are essential for enhancing employee well-being and long-term business performance. Employers who prioritize these attributes can create a positive work environment that encourages empowerment, trust, and respect, which boosts worker engagement, output, and commitment.

Work-life balance strategies that enhance employee engagement and well-being can help companies increase employee performance. According to the key informants, performance measures like productivity and retention can be tracked, and feedback on these activities can be gathered through frequent staff surveys. Additionally, they emphasized that surveys of well-being can help determine how beneficial these initiatives are by indicating higher levels of engagement and lower turnover rates. Moreover, these activities' effects on organizational performance can be assessed using performance metrics, innovation, and research and development. The key informants think that by using employee well-being as a mediator, mediation analysis might help identify the relationship between work-life balance and employee performance.

Andysz et al. (2014), Shouman (2022), Ahmed (2022), and Ihwughwavwe & Shewakramani (2024) highlight the consequences of not maintaining a healthy work-life balance. It is becoming increasingly obvious that a lack of work-life balance can be detrimental to employees. This can result in greater stress, burnout, poorer job satisfaction, more turnover and absenteeism, poor organizational performance, diminished competitiveness, lesser innovation and creativity, and detrimental effects on employees' mental and physical health.

CONCLUSION

The importance of people-centered management and work-life balance in enhancing employee well-being, job satisfaction, and overall organizational success is emphasized in the study. Employers may foster a healthy work environment by putting initiatives like paid time off, flexible work schedules, encouraging digital disconnection, work-life balance training, employee recognition and rewards, and leadership support into practice. The study emphasizes that in order to achieve long-term business success, employee well-being must be prioritized through work-life balance programs and people-focused management techniques.

It is obvious that improving work-life balance and people-oriented management are essential for raising employee happiness, job satisfaction, and overall organizational performance. According to the report, it is critical to promote a healthy work environment by implementing programs like paid time off, flexible work schedules, digital disengagement, work-life balance education, employee rewards and recognition, and leadership assistance. Putting employee well-being first can result in long-term corporate success. It is imperative to acknowledge that the study is subject to some constraints, including the number of informants and industries that provided the requisite data. The number of key informants should have been more than five in order to collect more comprehensive data, and employing mixed methodologies would have produced more reliable findings. Furthermore, the study did not look into the connection and impact of

well-being and people management on employee performance, so the results are unclear in terms of the program's effectiveness.

LIMITATION

This study's limitation is the number of informants or industries that supply the necessary data. To gather a more complete set of data, the number of key informants who contributed it should have exceeded five. This is also relevant to the time required for in-depth interviews and field observations. Using mixed techniques would have resulted in more robust results. This study did not investigate the link and influence of well-being and people management on employee performance. Therefore, the results are unclear in terms of the program's effectiveness.

DECLARATION OF CONFLICTING INTERESTS

We thus declare that no competing interests exist in relation to the study, endeavor, or activity detailed in the publication entitled "People-Oriented Management and Work-Life Balance: Improving Employee Well-Being for Sustainable Business Performance."
We can ensure any possible conflicts of interest have been truthfully and openly declared. We have taken steps to reduce the impact of any competing interests on the research, project, or activity, and we have done everything possible to ensure objectivity and accuracy in the material presented in this publication.

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