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MASTER

FINANCE

MASTER'S FINAL WORK

DISSERTATION

THE IMPACT OF FAMILY-FRIENDLY POLICIES ON COMPANIES'

PERFORMANCE IN PORTUGAL

JOÃO MANUEL CARREIRA ALVES BORREGANA

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Abstract

The last twenty years have been engraved by significant changes in the world of work and family. Adding to this, a more competitive job market associated with an increasing of working hours and an almost permanently contact with the workplace, have increased the attention on family-friendly policies, with the purpose to achieve work-life balance as well to improve company performance consequently. Due to the huge potential that these policies can exercise in all the extension of an employee's life, that can in turn, affect the company performance, it is pivotal for academic, management and policy level to study how family-friendly policies affect company performance. Using a sample of Portuguese public limited companies, the present study assesses the relationship between company performance and family-friendly policies. The results of this study show that there is a positive relationship between companies that have family-friendly policies and its performance. This conclusion may encourage and stimulate top-level managers, especially those who are more traditional and conservative, to the implementation of these policies as well give a new sight to the Government to create more incentives that can also influence positively on the implementation decision.

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Abbreviations

FFP – Family-Friendly policies

WLB – Work-Life Balance

1. Introduction

In the last few decades, expressive changes occurred in the labor market allied with changes in the family structure (Bhowon, 2013). All these changes combined have intensified the conflict between work and life in modern societies. This imbalance between work and life, can manifest several onerous outcomes not only for individuals but also for families and organizations (Davis & Kalleberg, 2006; Kalliath & Brough, 2008). Some possible consequences are lower job productivity (Lockwood, 2003; Koubova & Buchko, 2013), problems in employees' family functioning (Kalliath & Brough, 2008; Carlier et al., 2012) or even burnout and depression (Lockwood, 2003; Nishaat, 2017). All these outcomes may increase the work-life conflict and a vast literature has focused on the extension that work-life balance (WLB), allied with family-friendly policies (FFP), can affect the company's performance (Gray, 2002; Beauregard & Henry, 2009; Ngo et al., 2009; Benito-Osorio et al., 2014).

The concept "work-life balance" is inherent to modern societies (Felstead et al., 2002) and means the absence of conflict between work and life domains. Although this term has never been so popular as it is nowadays (Poelmans & Sahibzada, 2004; Kalliath & Brough, 2008; Koubova & Buchko, 2013; Benito-Osorio et al., 2014), there is a notable lack of agreement regarding its definition (Guest, 2002; Kalliath & Brough, 2008; Klöpping, 2011), leading to many different characterizations and possible measurements.

FFP can be seen as policies aiming to help employees to enhance their physical and emotional wellbeing (Friedman & Greenhaus, 2000), working as a bridge for employees to achieve the WLB.

This dissertation's idea comes from the FFP being a very up to date topic where it is possible to extend in numerous potential benefits not only to the individual or to the

company, but to overall society. To the best of my knowledge, there are no studies about this subject in Portugal. Thus, this dissertation is the first study that seeks to understand the relationship between FFP and company performance in Portugal.

This dissertation is divided into 5 chapters. Chapter 2 contains the literature review and the proposed hypothesis. Chapter 3 presents the data and methodology. Chapter 4 describes the important results obtained. Finally, chapter 5 presents the conclusions and the limitations found on this study as well some suggestions for future investigation.

2. Literature Review

2.1 Changes in the labor force

The last decades have been etched by expressive changes in the world of work and family nature (Bhowon, 2013), such as : a) changes in the workplace of organizations in terms of traditional employment contracts, by the increasing part-time and temporary workers (Glass & Finley, 2002); b) changes in labor force by the increasing entrance of women with young children and dual earner couples in workplaces (Glass & Finley, 2002; White et al., 2003; Bin Bae & Goodman, 2014); c) changes in organizational structures by restructuring and downsizing, especially before XXI century (Lewis, 1997; Powell, 2000).

Changes in the workplace and in the composition of the work force, by the growth in the number of female workers and dual-income families, have expanded the responsibilities of women both at work and home causing a radically change on the way we conceive gender roles and relationships (Poelmans & Sahibzada, 2004; Bin Bae & Goodman, 2014).

This increasing awareness to provide support to employee's life demands have been increasing among companies due to the demographic, cultural and economic changes (Benito-Osorio et al., 2014). Balancing work with family live has become an increasingly critical point especially since the number of dual-earner families has increased (Berg et al., 2003; Butts et al., 2013), replacing the traditional family structure (Nishaat, 2017). The increased participation of women in a workplace arouse even more the importance to achieve a balance between both spheres and has created pressure on institutions to help employees to have a better balance (Wood et al., 2003). It is important to highlight these two groups, "mothers" and "dual-earner families" because they may

find greater difficulties to balance their work and life than other groups such as single persons (Berg et al., 2003). In fact, in most developed countries the majority of mothers with children under 1 year old works (Rossin-Slater, 2017) and this integration of women in the labor force have intensified the conflict between work and life (Poelmans & Sahibzada, 2004; Rossin-Slater, 2017). By the number of tasks that a mother has to deal with, within and out the work, all the FFP reduces the disadvantage that women experience in the workplace due to their responsibilities outside work, in sense that relieve women from some family responsibilities or at least give them a greater control to manage as they would desire (Gray, 2002; Heywood & Jirjahn, 2009). On top of this, the number of dual-earner families and its combined hours have also increased while the time consuming obligations and responsibilities to maintain a family and caring for dependents remained the same (Berg et al., 2003). Due to the increasing combined hours of dual earner couples, these families are strongly affected by work demands that difficult the balance between work and life's demands and by these reasons they are affected by the time squeeze.

McDonald et al., (2005) found that several women stated that they could not continue to work full-time without a flexible schedule. Since women are more likely to quit their jobs than men due to family responsibilities (Bin Bae & Goodman, 2014), when female workers have access to these policies they should experience less work-life conflict (Rogier & Padgett, 2004).

In the last couple of years, the increasing competition, pressure and workload on organizations (Bhowon, 2013) led companies, with the need of highly skilled work force, to develop forms of workplace accommodations to correspond to the varied personal needs, so they could attract new talents and retain them in the long term (Glass & Finley,

2002), particularly female parents (Wise & Bond, 2003). In the last few decades, employers have created several policies and practices to support employee's WLB as a mean to attract new high-quality workforce as well to retain it in the long term (Ryan & Kossek, 2008).

While it is true that the participation of women in labor force has increased, it is also true that mothers are still the one who predominantly are primary carers of most housework and family care throughout the world (Ciccia & Verloo, 2012; OECD, 2016). Recent lines of research emphasize that the predominantly role that women exert in a familiar bosom is in some part due to social and cultural norms that will inevitably cause different labor market experiences to both genders, causing gender inequalities in labor market (Barigozzi et al., 2017) and forcing women to seek less competitive career paths (OECD, 2016).

Social and cultural norms can cause pressure to both genders in sense that men are viewed as the main breadwinners whereas women as the housekeepers. It is important to mention that any deviation from the social norm may have costs for both genders. If a mother decides to take a high-career without having time to care of its children and if the previous generation took care of their children, the mother may feel guilty (Guerreiro & Pereira, 2006; Guendouzi, 2006). If a father decides to take a low-career where he can have better flexibility and take care of its children he may suffer from social stigma if the previous generation did not take care of their children (Guendouzi, 2006; Barigozzi et al., 2017).

2.2 Work-life balance

The expression “Work-life balance” has never been so relevant as it is and has become one of the central topics at academic, management and political level (Poelmans & Sahibzada, 2004; Kalliath & Brough, 2008; Koubova & Buchko, 2013; Benito-Osorio et al., 2014). The increased attention for this thematic comes from the conflict that arises between work and life that can result in countless undesirable outcomes for individuals, families and organizations (Davis & Kalleberg, 2006; Kalliath & Brough, 2008). Some consequences that may originate from this conflict are increase employee turnover (Frye & Breaugh, 2004), lower job productivity (Lockwood, 2003; Koubova & Buchko, 2013), problems in employees' family functioning (Kalliath & Brough, 2008; Carlier et al., 2012), lower overall life satisfaction (Koubova & Buchko, 2013) or even burnout and depression (Lockwood, 2003; Nishaat, 2017).

This concept was firstly used during the 1970's in United Kingdom (Prasad, 2012). The original term was “work-family balance” but it was replaced by a term that companies now prefer to use as “work-life balance” because it is a wider concept that includes other fields in an individual's life that not exclusively the family, such as sports, study and travel (Poelmans & Sahibzada, 2004; Hudson, 2005; Kalliath & Brough, 2008)

There is a lack of agreement within the literature to define WLB and there is no clear and consistent definition among the researchers (Guest, 2002; Kalliath & Brough, 2008; Klöpping, 2011). There are an abundance of varied definitions in the literature and the only common factor among all of them is the primary focus on the individual's circumstances (Reiter, 2007). Part of this confusion is due to the “need to recognize that balance can have both an objective and subjective meaning and measurement, that it will vary according to circumstances and that it will also vary across individuals” (Guest,

2002, p. 261). It is important to mention that this is a dynamic concept that it depends on individuals and organizations and it is hard to apply a standard rule to all the employees knowing that everyone has different preferences and obligations to meet (Klöpping, 2011).

WLB can be seen as form of metaphor where a worker has an equal weight between both work and life activities without having any kind of conflict. “Work-life” is like an umbrella term that includes a wide set of FFP aiming to help workers to manage their balance between work and life responsibilities (Kalysh et al., 2016). The WLB is to help all workers to better fit between their professional and private lives, independently of marital or parental status from the worker (White et al., 2003)

This concept is inherent to modern societies and it is defined as a way to put boundaries to spaces and times of employment in order to manage the process of crossing one life activity to another since work is constituted as a separate realm from the rest of life (Felstead et al., 2002).

The balance between work and life have become harder to manage due to an actual increasing of working hours, ageing population, an increase in mother's labor force participation, the rise of dual-earner couples and the almost permanently contact with workplace by the innovation in technology (Hyman & Summers, 2003; Blair-Loy & Wharton, 2004; Beauregard & Henry, 2009; Nishaat, 2017).

In a male-dominated top management environment it is common to associate female employees as mothers and not as potential managers and paradoxically work life practices may reinforce the entrenched stereotype that women only care about family (Kalysh et al., 2016). In the last couple of years, literature has demystified that it is not just a women's issue, and now is recognized that both women and men have their needs

to balance both spheres (Reese, 1996; Anderson et al., 2002; Grandey et al., 2007;). Although employers generally make FFP accessible to both genders, women not only end up to be the one who show more genuine interest on these policies but also tend to be the most frequent users (Vandello et al., 2013).

Some types of jobs and workplaces may help workers to fulfill both their work and family responsibilities, especially if we consider workers who have, for instance, control over their work schedule (Berg et al., 2003). However, to benefit from these work-life programs, workers may have to sacrifice pay and upward mobility (Glass & Finley, 2002). There are several factors within the organization's management that may influence workers' perspective of its WLB such as hours worked per week, involuntary overtime work, intrinsic rewards from job, job stressors or any conflict with coworkers (Berg et al., 2003). Workers are facing a time bind between their job and families demands in which they would prefer to divide their time between job and home in a different way, but they find it very difficult to do it due to work or family's reasons. In other words, time bind can be seen as an imbalance between work and family.

Despite being an appellant subject in recent years, there is scant literature that have studied the relationship between WLB and company performance and it is seen as one of the biggest challenges that organizations will have to face with in this century (Benito-Osorio et al., 2014).

2.3 Organization culture

Organizational culture can be described as the “shared values, principles, traditions, and ways of doing things that influence the way organizational members act” (Robbins & Coulter 2012, p.52).

Recently, has been recognized that the nature of the jobs and the workplace environment, or by other words, organizational culture, can have a meaningful impact on the capacity of workers to balance their life and work (Benito-Osorio et al., 2014), according to the way the employee's perceive that their company's workplace are trying to help or not to equilibrate both demands (Berg et al., 2003). Following the same reasoning, "managers cannot forget that there are also other key elements needed to foster a family-responsible environment, such as a work-family culture and related daily practices." (Carlier et al., 2012, p.297). Employers in general, are starting to realize that they have to contribute more in work environment to recruit talented people, retain and increase employee's productivity (Durst, 1999). The culture of a workplace is so important when analyzing WLB because it can determine not only if work-life benefits are available but to whom (Eaton, 2003).

It is more than necessary that leaders should have an open mind and become amenable to new ideas that will enhance overall company's performance. If a manager belongs to a generation who worked long hours and had to make sacrifices to advance in career it is likely that this type of manger will be reluctant to implement FFP (Poelmans & Sahibzada, 2004). In case that employees do not believe that their workplace and supervisors are effectively open to use of the benefits then all possible economics gains may not occur even with FFP being available (Allen, 2001).

When top management have the ability to put into practice values like fairness and equal opportunities, not only the company can enhance employee's commitment and job satisfaction but also can establish its reputation as a social responsible company (Ngo et al., 2009). A successful implementation of equals opportunities policies is highly dependent on the persistent commitment and active support through actions and

communication of senior managers (Lockwood, 2003; Valentine et al., 2006) which can in turn enhance individual and organizational performance (Reese, 1996; Ngo et al., 2009).

Organization climate can be defined as “the attitude of the individuals concerning the organization—its degree of trust, conflict, morale, rewards equity, leader credibility, resistance to change, and scapegoating as seen by the individuals.” (Burton et al., 2004, p.69). Organizational climate is created and influenced ultimately by the attitudes and beliefs of the top management (Ngo et al., 2009) and to obtain a positive climate it is crucial that leaders include in their management certain elements that can guide employee's thoughts and actions like fairness, reward structures and equal opportunities to everyone (Beu & Buckley, 2004). By following this approach, creating and nourishing a discrimination-free environment, employees not only would have a favorable perception of their work environment but also from the leadership itself, contributing to a positive organizational climate which will ultimately maximize the career potential and opportunities for employees (Reese, 1996; Ngo et al., 2009;). It is important to create an inclusive workplace where people become more attached to one another and become capable to recognize everyone needs and therefore explore the full potential of all employees (Shore et al., 2010).

If employees do not feel a genuine endeavor from top management and believe that the introduction of FFP was due to political pressures for instance, the benefits of having such policies may not be felt for at least 2 reasons. First, employees might fear that if they utilize these policies their career will inevitable be damaged (Lewis, 1997) because employers may assume that they are not fully committed. Second, employees

without families can think that others employees are receiving an especial treatment, feeling then less motivated and indignant (Gray, 2002; Poelmans & Sahibzada, 2004).

It is vital that line managers should have an accurate knowledge not only on statutory rights but also on voluntary policy provisions to serve as link to employees (Wise & Bond, 2003; Beauregard & Henry, 2009). Supervisors need to be trained and informed in order to be able to support and communicate transparently these policies to all employees because some might have a poor awareness and lack of information about family-friendly practices, and this can limit the use of FFP among employees (Thompson et al., 2004; Beauregard & Henry, 2009; Rossin-Slater, 2017). In a recent field poll done in California, Dicamillo & Field (2015) found that only 36% of the voters were aware of California's policy program, that allows individuals to take leave to care for ill family members.

Some authors support the idea that if employees perception regarding workplace environment is family-supportive then they are expected to have a more effective organizational commitment and extra effort (Allen, 2001) because they perceive that employers are investing in them (Blair-Loy & Wharton, 2004) and care about their well-being (Casper & Buffardi, 2004).

The degree of intensity and formality in the relationship between managers and employees is important for the successful implementation of policies (Melero, 2011). A supportive and tolerant manager may result in an increase employee's optimism in using flexible policies (Blair-Loy & Wharton, 2004). Only organizations investing in a more inclusive workplace culture, alongside with a more supportive managers, are likely to see favorable results from formal work-life programs (Behson, 2005).

The effectiveness of organizational work-life programs depends on a great extent to the attitudes, support and behavior of managers and colleagues (Poelmans & Sahibzada, 2004), but especially from top managers because they are the one who can critically manage through their values and leadership to make a work-family supportive culture. The sincere support from top management, the active promotion of such policies to everyone and creating a propitious company culture to the use of these policies is crucial for a successful implementation of work-life programs (Poelmans & Sahibzada, 2004; Ngo et al., 2009) .

2.4 Family-friendly policies

One possible definition of FFP, according to Frye and Breugh (2004), is the perception level of people that their company has policies to personally assist and integrate their work and family roles. These policies represent an “attempt to modify the way work traditionally has been organized, developed, and evaluated” (McCurdy et al., 2002, p.27). FFP may help employees to enhance employee's physical and emotional wellbeing (Friedman & Greenhaus, 2000) without threatening the economic viability of the company, being possible even to boost both (White et al., 2003).

It is possible to divide FFP into 4 big categories: child care policies, telework/telecommuting, paid leave for family care and alternative work schedules (Kim & Wiggins, 2011; Lee & Hong, 2011). Some general policies that are common to find in family-friendly programs include flexible work schedules, dependent care assistance, paid leave arrangements and counseling and referral services (Ngo et al., 2009). Work-life programs, that is, organizational programs including FFP, may help employees in the following supportive ways: time, guidance/assistance and financial help (Glass & Finley,

2002). Policies like paid parental leave, referral or financial assistance for dependent care and on-site child care are viewed as family support policies whereas more general policies like schedule flextime and telecommuting are viewed as non-familiar needs (Butts et al., 2013).

FFP tend to have a stronger positive effect on employees when presented in bundles rather than just one single policy (Butts et al., 2013) because they can complement each other (Lee & Hong, 2011). Several studies have a varied bundle of policies mainly because there is no general accepted list or ideal bundle of FFP (Durst, 1999; Bin Bae & Goodman, 2014) essentially because it depends on some factors previously referred, including for instance the country in analysis and its culture values or social norms.

These policies are often viewed as an important tool to achieve equal opportunities, supportive culture and promote a non-discrimination workplace between men and women, irrespectively of their personal circumstances (Hoop et al., 2017; Wise & Bond, 2003).

The provision and characterization of FFP are subjective and depends on factors such as industry, size, age of the company and proportion of women in the workplace (Durst, 1999; Glass, 2004; Davis & Kalleberg, 2006). McCurdy et al., (2002) found that the organization size has some impact on the likelihood of implementing FFP. Larger companies are more likely to have FFP than smaller ones (Dex & Scheibl, 1999; Osterman, 1995), but it is important to note that the potential benefits from having the policies is still true, irrespectively of their size (Dex & Scheibl, 1999).

Formal written policies can vary significantly according to size and sector (Hyman & Summers, 2003). One of the big problems about these type of policies is that

many of them are not formal or actually written, conducting to unprepared managers regarding WLB issues (Hyman & Summers, 2003). To achieve more effective results, formal work life programs should be complemented with informal processes (Behson, 2005).

An increasing number of companies provide several FFP to help employees to improve family well-being as well promoting career continuity (Clifton & Shepard, 2004; Rossin-Slater, 2017) because companies have the capacity to influence employee WLB fulfillment (Kim & Wiggins, 2011). FFP can be viewed as a way to enhance career opportunities for at least two reasons: First, workers who are unable to work on a traditional schedule can do it by doing job-share or working part-time jobs (Wise & Bond, 2003); Second, allow workers, especially women, to have a flexible schedule for family emergency leaves and parental leaves (Wise & Bond, 2003).

Throughout decades, the traditional compensation that some organizations used to enhance employee performance and productivity were health insurance, life insurance benefits or retirement benefits (Kim & Wiggins, 2011). Currently, the biggest concern for compensation and employee incentives is related with balance between work and nonwork burden (Kim & Wiggins, 2011; Roberts et al., 2004). Although it is becoming an increase notion among companies, it is still possible to see some of them not offering such policies, especially when they face economically depressed times (Seyler et al., 1995).

The adoption of FFP can be explained by 2 theories: First, Institutional approach, when employers start FFP involuntary, as a response to social norm, legal and regulatory obligations (Goodstein, 1994). External pressures from the industry, environment, economic and social may influence the institution to respond. The second theory is the

Rational choice, where a strategic choice emphasizes that organizations interpret the future economic gains that they can have from adopting FFP and so employers voluntary start these programs (Bin Bae & Goodman, 2014). The underlying assumption of this last theory is that employers are rational and therefore seek to maximize the benefits and minimizing the costs of the organization. If the benefits associated with a particular family-friendly policy is larger than its costs of implementation, it is likely that the board decide to adopt those policies (Seyler et al., 1995). Before any organization consider introducing any particular policies has to analyse its business plan and objectives and try to forecast its costs and benefits (Dex & Scheibl, 1999). Ultimately, it depends on the extension that top management believe that such practices can achieve a particular organization goal, such as decrease in turnover intention, increase in job satisfaction or retention of talent (Ngo et al., 2009).

Organizations offering FFP are more appealing to employees because they perceive it that those organizations will treat them well and be supportive (Lambert, 2000; Casper & Buffardi, 2004). By offering these policies, a company is nourishing a caring and positive image of itself, and because of that, could have an increment of the number of candidates (Gray, 2002). This may explain why even individuals who have no intentions to use FFP in a near future, they are still more attracted to a job in an organization that offer them (Rau & Hyland, 2002; Casper & Buffardi, 2004), because they perceive it to be more supportive and careful (Casper & Buffardi, 2004). Many employers and managers are starting to realize that FFP can help positively in the attraction and retention strategy (Batt & Valcour, 2003), especially the female parents (Wise & Bond, 2003).

Although the majority of developed countries provide FFP (Rossin-Slater, 2017), workers might not take advantage on work-life policies for some reasons. The biggest explanation found in the literature is that workers may not understand how a particular policy works or how they can use it (Blair-Loy & Wharton, 2004), or even due to fear of career derailment and that the relationship between co-workers and managers might be damaged (Blair-Loy & Wharton, 2002; Houston & Waumsley, 2003; Beauregard & Henry, 2009).

2.5 Company performance and family-friendly policies

Organizational performance is used to measure company's overall health and can have multiple interests rather than the traditional focus on management decisions, being possible to be extended to the organization competitiveness and to the way an organization receive feedback from their environment and react to it (March & Sutton, 1997).

Richard et al. (2009) divides organizational performance into 3 specific dimensions of company outcomes. The first is related to the financial performance that addresses measures such as the company's profits, return on assets and return on investments. The second-dimension concerns product market performance that is associated with company's sales and market share, among others. The third refers to the shareholder return that can be assessed by total shareholder return or economic value added, for instance.

Before approaching the relation between company performance and FFP, it is important to address that to assess any benefits or costs that can occur in a company from the presence of these policies, it is necessary to do a properly measurement of it, which

are not always easy given that the definitions of “Work-life balance” and “Family-friendly policies” are not clear in the literature. Nevertheless, a vast literature tend to converge that companies implementing FFP are more likely to experience financial gains from their introduction when comparing the benefits versus costs of introducing it (Dex & Scheibl, 1999; Perry-Smith & Blum, 2000; Bin Bae & Goodman, 2014).

A possible approach to evaluate the benefits of these policies is to compare the performance of a given company with similar organizations in which some of them have those policies and others do not (Dex & Scheibl, 1999).

Much of the past research goes towards to the fact of FFP implemented at the workplace being associated with positive employee attitudes (Berg et al., 2003) and employee morale (Lockwood, 2003) will cause an increase in productivity (Glass & Finley, 2002), decreased absenteeism (Baltes et al., 1999; Lockwood, 2003), higher company performance (Gray, 2002) or even higher shareholder returns (Arthur, 2003). Job turnover is influenced by several factors such as job attitudes, satisfaction and the easiness to find other jobs. Any reduction in turnover is translated into potential business gains as the cost to replace an employee may cost until one year's salary, although having some turnover is healthy for any company. (Dex & Scheibl, 1999).

In terms of wage negotiation, an employee may be willing to accept a lower pay and would have less power of negotiation in order to usufruct of FFP (Gray, 2002). Therefore, companies adopting work-life practices may serve as a source of sustained competitive advantage and attraction than the ones offering the traditional career path (Perry-Smith & Blum, 2000).

When employees are satisfied, they are able to have a better performance which in turn will cause positive repercussions in organizational productivity and financial

performance (Schulte et al., 2006). However, Preece & Filbeck (1999) conclude that companies with FFP do not outperform companies with non-family-friendly policies and Batt & Valcour (2003) concluded that employees using flexible technology paradoxically increases work-life conflict.

Past research has linked the provision of FFP to the increasing productivity in the long term (Dex & Scheibl, 1999; Bin Bae & Goodman, 2014;). The literature suggests that when employers make FFP available is likely that employees demonstrate higher commitment, job satisfaction, loyalty to the company and a positive work attitude and behavior (Gray, 2002; Frye & Breugh, 2004; Kossek et al., 2006; Ngo et al., 2009; Beauregard & Henry, 2009; Wang et al., 2011). Results from a study with 527 companies in the United States showed that organizations with a greater range of work-life policies exhibit higher levels of organizational performance, market performance and profit-sales growth (Perry-Smith & Blum, 2000). Although it is possible to find some lack of agreement in the literature because the simple availability of FFP might not be enough to indeed boost the commitment (Allen, 2001). Eaton (2003) concluded that the perceived usability of policies is more important than the presence of formal or informal policies alone and if employees are unable to use them, it will not help to increase the desired outcomes of commitment and productivity. Putting in other words, the perceived usability of FFP is more meaningful to employees than its mere presence.

When a company allows employees to have the opportunity to choose their schedule or to have flexibility in their schedule, employers are letting workers to choose their peak hours of productivity (Clifton & Shepard, 2004). Galinsky et al. (1996) concluded from a nationally representative survey that parents who felt they had a greater control over their work schedules reported less conflict between work-life and stress.

Since absenteeism can be affected by family duties (Dex & Scheibl, 1999), by increasing job flexibility it would clearly represent significant savings, as the absenteeism would be lower, especially for working parents (Gray, 2002).

Despite the lack of agreement in the literature, most of them tend to converge with the positive relation between FFP and performance. Thus, the general proposed hypothesis is:

H1: Companies with more family-friendly policies have higher performance.

3. Data Description and Methodology

3.1 Data Description

The data was collected through a questionnaire, accessible using Qualtrics and sent to the general company emails provided by Informa D&B. The sample comprises all public limited companies (*sociedades anónimas- S.A. in Portuguese*) in Portugal with a total of 12,301. It was expressly said that any member of that company could answer the questionnaire. This method is efficient, easy and low cost to gathering information (Lefever et al., 2007), while preserving the anonymity of the respondents. The main disadvantages are possible external technical problems from the internet service or the respondents lack of skill to use new technology (Lefever et al., 2007) and even the possibility of the e-mail be ignored, leading to a lower response rate (Hoonakker & Carayon, 2009). To ensure the full comprehension of the entire questionnaire, all questions were pretested and verified by 11 people, before the final version was sent.

To obtain a higher response rate, the questionnaire was sent two more times, two and four weeks after the first mailing, but only to the companies who have not yet completed it. A total of 724 complete responses were valid for the variables used in analysis, which represents a response rate of approximately 5.89%. After collecting all

data from the questionnaire, information related to companies, such as the total number of workers or activity sectors were also requested from Informa D&B.

A complete description of the sample is available in Annex I. About 64.5% of the respondents are female. The age ranges from a minimum of 21 years old and a maximum of 72 years old, with mean of 40.2 years old and with standard deviation of 10.1 years old. Moreover, 49.6% of the individuals are married, most have at least 1 child (60.5%) and have a high level of education, where over than 80% have a graduation degree. The most frequent level of income is between 15,000€ and 29,999€ at 37,0% of the sample.

About 93.6% work for a third party and 55.5% are responsible for managing others. The great majority work at private companies (95.9%), 61.5% in non-family business companies and 67.3% of the companies sell abroad. Regarding the activity sectors, the three most frequent activity sectors in this sample are with 22.8% from "Manufacturing" (C), 16.2% correspond to "Wholesale and retail trade and repair of motor vehicles and motorcycles" (G) and the third most frequent sector is "Professional, scientific and technical activities" (M) with 10.4%. On the other hand, the three least observed activity sectors are with 0.3% from "Other service activities" (S), with 0.4% from "Mining and quarrying" (B) and 0.7% is associated to "Arts, entertainment and recreation" (R). In this sample no companies were found operating in the following sectors: "Public Administration and defense; compulsory social security" (O), "Activities of households as employers; undifferentiated goods-and services- producing activities of households for own use" (T), and finally, "Activities of extraterritorial organizations and bodies" (U).

3.2 Measures and scales

The main objective of this study is to analyse the impact that FFP have on Portuguese companies' performance. To that end, it is necessary to measure and investigate the reliability on the following measures: "Work-life balance", "Work Satisfaction", "Family Satisfaction", "Subjective Performance" and "Organization loyalty scale".

Family-friendly policies

To assess the availability of the number of FFP it was used 8 items out of 10, originally developed by Allen, (2001), and that was adapted and translated to Portuguese by Chambel & Santos, (2009). The 2 items excluded were related to maternity and paternity licence, and since both of them are obliged in Portuguese law they were not included in the questionnaire. The set of 8 items were originally divided into 2 categories: Flexibility work arrangements practices (flexitime, compressed work week, telecommuting and part-time work) and dependent care support (on-site child care center, subsidized local child care, child care information/referral services and elder care support). Respondents were asked about the availability of 8 FFP, with "Yes or "No".

Work-life balance

The definition of WLB is based on the work of Carlson et al. (2009). The authors created a scale using the assumption for WLB: "accomplishment of role-related expectations that are negotiated and shared between an individual and his/her role-related partners in the work and family domains" (Carlson et al., 2009, p.1463). Thus, the present study used 6 items created by Carlson et al. (2009), using a 5 Likert scale, ranging from

1 “Strongly disagree” to 5 “Strongly agree”. Therefore, respondents were asked to choose, for each statement, the option that best described their expectations or negotiations of roles and relating with an external perspective party of these roles. A sample item of this scale is: “I am able to accomplish the expectations that my supervisors and my family have for me”.

A composite measure of the six items scale, resulting from the mean of the answers in each item, was performed and called work-life balance. The Cronbach's alpha coefficient of this scale is 0.915, which shows a very good reliability (DeVellis, 1991).

Work Satisfaction

To assess the respondent's perception about its work satisfaction it was used 5 items, using a 5 Likert scale, originally developed by Brayfield & Rothe (1951) survey, and that was adapted and translated to Portuguese by Chambel & Pinto (2008). Respondents were asked to choose the option that best described their situation, ranging from 1 “Strongly disagree” to 5 “Strongly agree”. A sample item of this scale is: “I feel very satisfy with my professional life”.

A composite measure of the five items scale, resulting from the mean of the answers in each item, was performed and called work satisfaction. The Cronbach's alpha coefficient of this scale is 0.932, which shows a very good reliability (DeVellis, 1991).

Family Satisfaction

To assess the respondent's perception about its family satisfaction it was used 5 items, using a 5 Likert scale, from the original Brayfield & Rothe (1951) survey, then adapted and translated to Portuguese by Chambel & Marques Pinto (2008). Respondents

were asked to choose the option that best described their situation, ranging from 1 “Strongly disagree” to 5 “Strongly agree”. A sample item of this scale is: “I feel very satisfy with my family”.

A composite measure of the five items scale, resulting from the mean of the answers in each item, was performed and called family satisfaction. The Cronbach's alpha coefficient of this scale is 0.889, indicating very good reliability (DeVellis, 1991).

Subjective company performance

Company performance can be measured through a subjective, quasi-objective and objective measures. The subjective measure is done by a fully subjective self-report questions that assess the underlying performance in which is inherently comparative to the main competitors (Richard et al., 2009) and are collected via interview or survey. The quasi-objective is a mixed of subjective and objective evaluation as it is measured through self-report techniques to someone connected to the company, such as the CEO (Richard et al., 2009). Objective measure is an impartial measurement in sense that has no bias personal opinion or interpretation of performance and they are directly collected from company's financial reports. In this study, a subjective measure was used since this measure was collected via online questionnaire.

Company performance was measured using 9 items, developed by Wiklund and Shepherd (2003). Respondents were asked to compare between their current company and their two main competitors in the last three years in 9 different areas of performance such as sales growth, revenue growth, growth in the number of employees, net profit margin, product/service innovation, adoption of new technology, product/service quality,

product/service variety and customer satisfaction, ranging from 1 “Much lower” to 5 “much higher”.

A composite measure of the nine items scale, resulting from the mean of the answers in each item, was performed and called company performance. The Cronbach's alpha coefficient of this scale is 0.908, indicating very good reliability (DeVellis, 1991).

Organization loyalty scale

Organization loyalty was measured using 9 items, developed by Berg et al. (2003). Respondents were asked to select the option that best described their situation with a 4 Likert scale, ranging from 1 “Strongly disagree” to 4 “Strongly agree”. A sample item of this scale is “I am willing to work harder than I have to in order to help this company succeed”.

The composite measure of the nine items scale, resulting from the mean of the answers in each item, was performed and called organization loyalty. The Cronbach's alpha coefficient of this scale is 0.884, which shows very good reliability (DeVellis, 1991).

3.3 Variables

Table I contains the definition of the variables used in the model.

Table I- Variables of the model

	Variable	Description
Dependent Variable	Performance (PERF)	Sales growth, revenue growth, growth in the number of employees, net profit margin, product/service innovation, adoption of new technology, product/service quality, product/service variety and customer satisfaction

Independent Variables	Control Individual variables	
	Work – life Balance (BALANCE)	Composite measure of 6 items, given by the mean of the scores in each item
	Organization loyalty (ORG)	Composite measure of 9 items, given by the mean of the scores in each item
	Work Satisfaction (WORKS)	Composite measure of 5 items, given by the mean of the scores in each item
	Family Satisfaction (FAMILYS)	Composite measure of 5 items, given by the mean of the scores in each item
	Sex (SEX)	0 – female; 1 – male
	Age (AGE)	Years old
	Education level (EDUC)	1-High School; 2-Graduation School; 3-Post Graduation School; 4-Master's Degree; 5- Doctoral Degree
	Number of Children (NCHILD)	
	Physical Activity (EXERCISE)	0-No; 1-Yes
	Weekly working hours (WEEK)	Number of weekly working hours
	Hierarchical position (HPOS)	1-No management Charge; 2-First-Line Management; 3-Intermediate Management; 4-Top Management
	Professional experience (EXP)	Number of years of experience
	Tenure years at actual position (TENURE)	Number of years in actual position
	Work Regime (REGIME)	0-Temporary; 1-Permanent
	Responsible for others (RESP)	0-No; 1- Yes
	Control Company Related Variables	
	Family Friendly Policies (FFPOLICIES)	Composite measure of 8 items, resulting from the sum of each item
	Sector (SECTOR)	1-Private; 2-Public, 3-Non-profit
	Size (SIZE)	Number of employees
	More female Company (FEM)	0-No for companies with more men; 1-Yes for companies with more women
	Family Business (FAMILY)	0-No; 1-Yes
	Foreign Sales (ABROAD)	0-No; 1-Yes
	Activity Sector (ASECTOR)	0-Primary or Secondary; 1-Tertiary sectors

To analyse the relationship between FFP and Company Subjective Performance multiple linear regressions were estimated. The dependent variable is subjective Performance of company (PERF). In Model (1), the independent variable is the number

of FFP. Model (2) adds the control individual variables (Work-Life Balance, Organization loyalty, Work Satisfaction, Family Satisfaction, Sex, Age, Education Level, Number of children, Physical Activity, Number of weekly working hours, Hierarchical Position, Professional Experience, Tenure years at actual position, Work regime, Responsible for others). Model (3) adds the control variables related to the company (Sector, Size, Companies with more women, Family business, Foreign sales and Activity sector). Finally, in Model (4) all control variables were introduced in the model. These control variables are commonly found in the literature relating with the company performance (Filipe, 2016). In all models, β , are the parameters and ε , the error term.

$$(1) \text{ PERF} = \beta_1 + \beta_2 \text{FFPOLICIES} + \varepsilon$$

$$(2) \text{ PERF} = \beta_1 + \beta_2 \text{FFPOLICIES} + \beta_3 \text{BALANCE} + \beta_4 \text{ORG} + \beta_5 \text{WORKS} + \beta_6 \text{FAMILYS} + \beta_7 \text{SEX} + \beta_8 \text{AGE} + \beta_9 \text{EDUC} + \beta_{10} \text{NCHILD} + \beta_{11} \text{EXERCISE} + \beta_{12} \text{WEEK} + \beta_{13} \text{HPOS} + \beta_{14} \text{EXP} + \beta_{15} \text{TENURE} + \beta_{16} \text{REGIME} + \beta_{17} \text{RESP} + \varepsilon$$

$$(3) \text{ PERF} = \beta_1 + \beta_2 \text{FFPOLICIES} + \beta_3 \text{SECTOR} + \beta_4 \text{SIZE} + \beta_5 \text{FEM} + \beta_6 \text{FAMILY} + \beta_7 \text{ABROAD} + \beta_8 \text{ASECTOR} + \varepsilon$$

$$(4) \text{ PERF} = \beta_1 + \beta_2 \text{FFPOLICIES} + \beta_3 \text{BALANCE} + \beta_4 \text{ORG} + \beta_5 \text{WORKS} + \beta_6 \text{FAMILYS} + \beta_7 \text{SEX} + \beta_8 \text{AGE} + \beta_9 \text{EDUC} + \beta_{10} \text{NCHILD} + \beta_{11} \text{EXERCISE} + \beta_{12} \text{WEEK} + \beta_{13} \text{HPOS} + \beta_{14} \text{EXP} + \beta_{15} \text{TENURE} + \beta_{16} \text{REGIME} + \beta_{17} \text{RESP} + \beta_{18} \text{SECTOR} + \beta_{19} \text{SIZE} + \beta_{20} \text{FEM} + \beta_{21} \text{FAMILY} + \beta_{22} \text{ABROAD} + \beta_{23} \text{ASECTOR} + \varepsilon$$

4. Results

4.1 Descriptive Statistics

Descriptive Statistics of the composite measures and each of its items are presented in Table II.

Table II- Descriptive statistics

	Min	Max	Mean	SD	α
Work – life Balance (BALANCE)	1	5	3.83	0.63	0.915
1.I am able to negotiate and accomplish what is expected of me at work and in my family.	1	5	3.86	0.78	
2.I do a good job of meeting the role expectations of critical people in my work and family life.	1	5	3.87	0.72	
3.People who are close to me would say that I do a good job of balancing work and family.	1	5	3.68	0.88	
4.I am able to accomplish the expectations that my supervisors and my family have for me.	1	5	3.86	0.72	
5.My co-workers and members of my family would say that I am meeting their expectations.	1	5	3.86	0.68	
6.It is clear to me, based on feedback from co-workers and family members, that I am accomplishing both my work and family responsibilities.	1	5	3.84	0.72	
Organization loyalty (ORG)	1	4	2.89	0.54	0.884
1.I am willing to work harder than I have to in order to help this company succeed	1	4	3.23	0.64	
2.I feel very much loyal to this company	1	4	3.40	0.62	
3.I would take almost any job to keep working for this company	1	4	2.12	0.82	
4.I find that my values and this company's values are very similar	1	4	2.84	0.80	
5.I am proud to be working for this company.	1	4	3.11	0.73	
6.I would turn down another job for more pay in order to stay with this company	1	4	2.20	0.87	
7.My job makes good use of my knowledge and skills	1	4	3.07	0.72	
8.My job requires me to be creative	1	4	2.96	0.77	
9.My job is challenging.	1	4	3.08	0.77	
Work Satisfaction (WORKS)	1	5	3.49	0.91	0.932
1.I feel quite satisfied with my professional life	1	5	3.51	1.02	
2.I find a true satisfaction in my work	1	5	3.49	1.04	
3.I consider that my job is better than other jobs	1	5	3.59	0.97	
4.Most days I'm excited about my professional life.	1	5	3.49	1.05	
5.I'm rarely bored with my work	1	5	3.35	1.07	
Family Satisfaction (FAMILYS)	1	5	4.18	0.68	0.889
1.I feel quite satisfied with my family life	1	5	4.14	0.87	
2.I find a true satisfaction in my family	1	5	4.35	0.73	
3.I consider that my family is better than other families	1	5	3.99	0.87	
4.Most days I'm excited about my familiar life.	1	5	4.26	0.74	

5.I'm rarely bored with my family	1	5	4.15	0.83
Subjective Performance (PERF)	1	5	3.31	0.66 0.908
1.Sales growth	1	5	3.36	0.87
2.Revenue growth	1	5	3.34	0.87
3.Growth in the number of employees	1	5	3.04	0.94
4.Net profit margin	1	5	3.23	0.88
5.Product / service innovation	1	5	3.22	0.89
6.Adoption of new technology	1	5	3.19	0.95
7.Product/service quality	1	5	3.52	0.83
8.Product/service variety	1	5	3.39	0.80
9.Customer satisfaction	1	5	3.50	0.83
Number of Family Friendly Policies (FFPLOCIES)	0	8	1.45	1.40

The Pearson correlation between performance and the number of FFP is positive and significant at 1% level (0.210***). The mean of the composite measure of subjective performance is 3.31, which means that performance is better than the main two competitor companies. Regarding the number of FFP the mean is 1.45.

4.2 Mann-Whitney tests

Table III presents the recoded variables used to conduct the Mann-Whitney tests of equality of means between two groups. The null hypothesis is that the distribution of the number of family friendly policies (FFPOLICIES) is equal among groups. Results are presented in Table IV.

Table III- Recoded Variables

Variable	Codification
Education Level (EDUC)	0-up to Undergraduate degree; 1- Master or Doctoral degree
Hierarchical Position (HPOS)	0-Non or First-Line Management; 1- Intermediate or Top Management
Sector (SECTOR)	0- Profit company; 1-Non-profit company
Size (NEMP)	0- At most 250 employees; 1- More than 250 employees

The non-parametric test (Mann-Whitney test) was used for comparing two groups in the number of FFP.

Table IV- Comparison tests

	Mean (Std)	Mean (Std)	Test Statistic	p-value
Sector (SECTOR) FFPOLICIES	Profit 1.44 (1.40)	Non-Profit 2.50 (1.31)	-2.325	0.020**
Size (SIZE) FFPOLICIES	At most 250 employees 1.46 (1.40)	More than 250 employees 1.28 (1.36)	0.876	0.381
More Female (FEM) FFPOLICIES	No 1.43 (1.41)	Yes 1.49 (1.36)	-0.852	0.394
Family Business (FAMILY) FFPOLICIES	No 1.60 (1.39)	Yes 1.22 (1.38)	4.198	0.000***
Foreign Sales (ABROAD) FFPOLICIES	No 1.50 (1.43)	Yes 1.43 (1.38)	0.734	0.463
Activity(ACTIVITYSECTOR) FFPOLICIES	Primary/Secondary 1.23 (1.34)	Tertiary 1.55 (1.40)	-2.986	0.003***
Company Performance (PERFD) FFPOLICIES	Lower (smaller or equal than the mean) 1.23 (1.27)	Higher (higher than the mean) 1.67 (1.48)	-4.145	0.000***

Note: *, ** and *** are significance levels at 10%, 5% and 1%, respectively.

The null hypothesis is rejected for variables: sector, family business, activity sector and company performance. This hypothesis is not rejected by size, more female and foreign sales.

More FFP are found in Non-Profit companies, and Non-Family business have more FFP than the family business. Tertiary sector companies have more FFP than others two sectors which supports the literature that says that is typically managerial, technical,

professional and sales occupations that are more likely to have flexibility of scheduling (Beers, 2000; Golden, 2001). Moreover, companies with Higher Performance exhibit more FFP, supporting as well the majority of the literature (Perry-Smith & Blum, 2000; Glass & Finley, 2002; Bin Bae & Goodman, 2014).

Some surprising results were found in which do not support the literature based on the size of the company and female employees. Based on these comparison tests, the number of FFP do not depend on size neither on the number of female employees.

4.3 Linear Regression Models Results

Table V show the results of the linear regressions with company performance being the dependent variable, for all the four equations. Column 1 to 4 display on the first line the unstandardized β coefficient, and the robust t-statistic in parenthesis, of the respective model 1 to 4.

Table V- Linear Regression Model results

Variables	(1)	(2)	(3)	(4)
Constant	3.166*** (91.221)	1.919*** (7.165)	2.873*** (40.592)	1.678*** (6.199)
Number of Family Friendly Policies (FFPOLICIES)	0.099*** (5.762)	0.047*** (2.736)	0.101*** (5.892)	0.050*** (2.916)
Work-Life balance (BALANCE)		0.020 (0.506)		0.018 (0.465)
Organization loyalty (ORG)		0.177*** (2.621)		0.142** (2.118)
Work Satisfaction (WORKS)		0.184*** (4.583)		0.198*** (4.961)
Family Satisfaction (FAMILYYS)		0.040 (1.109)		0.044 (1.240)
Sex (SEX)		-0.031 (-0.805)		-0.047 (-0.966)
Age (AGE)		-0.005 (-0.805)		-0.003 (-0.490)

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Level of Education (EDUC)	0.072 (1.303)		0.080 (1.463)	
Number of Children (NCHILD)	0.025 (0.926)		0.031 (1.180)	
Physical Activity (EXERCISE)	-0.030 (-0.643)		-0.028 (-0.628)	
Weekly number of working hours (WEEK)	0.002** (2.144)		0.002** (2.118)	
Hierarchical Position (HPOS)	-0.017 (-0.298)		-0.019 (-0.340)	
Years of Professional Experience (EXP)	0.000 (-0.020)		-0.002 (-0.342)	
Tenure Years at actual position (TENURE)	-0.001 (-0.269)		0.000 (-0.029)	
Work Regime (REGIME)	0.032 (0.338)		-0.008 (-0.086)	
Responsible for managing others (RESP)	-0.005 (-0.099)		-0.006 (-0.112)	
Sector (SECTOR)		-0.252 (-1.101)	-0.347 (-1.602)	
Size (SIZE)		0.000 (1.332)	0.000 (1.174)	
More female company (FEM)		0.089* (1.746)	0.090* (1.890)	
Family Business (FAMILY)		0.047 (0.936)	0.023 (0.490)	
Foreign Sales (ABROAD)		0.244*** (4.641)	0.221*** (4.456)	
Activity Sector (ASECTOR)		0.105* (1.955)	0.093* (1.851)	
R Squared	0.044	0.196	0.084	0.230
Adjusted R Squared	0.043	0.178	0.075	0.206
Prob>F	0.000	0.000	0.000	0.000
Durbin Watson Test Statistic	1.932	1.976	1.938	1.975
Breusch-Pagan Test p-value	0.686	0.036	0.680	0.187
Normality of residuals test p-value	0.010	0.013	0.012	0.011

Note: *, ** and *** are significance levels at 10%, 5% and 1%, respectively.

In all the models, the number of FFP have a positive and significant (at 1% level) relation with company performance and coefficients range between 0.047 to 0.101. Therefore, the hypothesis is supported. These results suggest that the number of FFP is very important to explain company performance. These findings align with previous

studies that also find that companies having FFP exhibit higher performance (Dex & Scheibl, 1999; Perry-Smith & Blum, 2000; Bin Bae & Goodman, 2014;).

Among organization loyalty, work satisfaction, WLB and family satisfaction, only the first two are statistically significant for both equations 2 and 4, showing a positive relation with company performance. This evidence reinforces the importance that FFP might have in performance, given that several studies have linked the availability of FFP with the increased on commitment, work satisfaction, organization loyalty, positive work attitude and behaviour in employees (Gray, 2002; Frye & Breugh, 2004; Kossek et al., 2006; Ngo et al., 2009; Beauregard & Henry, 2009; Wang et al., 2011).

The number of working hours per week, having more females in a company, sell abroad and tertiary sectors are statistically significant and show a positive relationship with company performance.

5. Conclusions

5.1 Final Conclusions

People everywhere are experiencing an increase pressure from work and a sense of out of control over their life. This happens due to several factors explained throughout this work, which may result in a conflict to manage their life properly. This imbalance can manifest in multiple consequences in an employee's life such as lower overall life satisfaction (Koubova & Buchko, 2013), burnout (Lockwood, 2003; Nishaat, 2017) and can affect individuals, families and organizations (Davis & Kalleberg, 2006; Kalliath & Brough, 2008). FFP can be viewed as a way to fix those outcomes or at least to understate them, since employees would feel a greater control over work and life. A company by making accessible FFP to every worker not only are helping them to enhance their

physical and emotional wellbeing but also to boost the economic viability of the company, making a win-win situation to everyone.

Results of Mann-Whitney test show that the FFP do not depend on the size of company and it is a surprising result because it is not consistent with past research in which was found a positive relation between the size of company and the policies (Osterman, 1995; Dex & Scheibl, 1999). Thus, in Portuguese reality this assumption does not hold. Results regarding the number of female workers and the FFP give a mixed feeling. On one hand, it was expected to find a dependence between FFP and having more women, since these policies contribute especially to female parents, in the attraction and retention in a company (Batt & Valcour, 2003; Wise & Bond, 2003) and also because without the presence of some of these policies, such as flextime schedule, some of them could not continue to work full time (McDonald et al., 2005). On the other hand, the number of FFP by not depend on gender, as it is shown in comparison tests, follows the literature that tries to demystify that this subject is no longer only a women's issues (Reese, 1996; Anderson et al., 2002; Grandey et al., 2007). Now, women and men have their needs to balance both spheres, reinforcing even more the fact that the traditional family structure has changed (Nishaat, 2017). Considering the activity sector, in this sample was found that tertiary companies does have more policies than the primary/secondary sectors suggesting that more technical positions tend to have a higher disposal of FFP. Similar results was obtained by Glass (2004), which found that are typically managerial and professional workers that tend to have more access of these policies.

The results of the linear regression models clearly show that the number of FFP have a positive relationship with company performance for a 1% significance level,

giving an important insight of how FFP can significantly influence positively the company performance, in Portugal. This positive relationship is consistent with the majority of the literature (Dex & Scheibl, 1999; Perry-Smith & Blum, 2000; Bin Bae & Goodman, 2014) and with the general proposed hypothesis. Organization loyalty, work satisfaction, weekly number of working hours, having more females in a company and tertiary sectors have a positive relationship with company performance as well.

Previous studies consistently indicated a positive relationship between the availability of FFP and work satisfaction and organizational loyalty (Gray, 2002; Frye & Breugh, 2004; Kossek et al., 2006; Ngo et al., 2009; Beauregard & Henry, 2009).

Top leaders of every company may become more aware and sensible about implementing these policies, not only because they are directly benefiting their employees, by giving them choices and opportunities to better manage their life, but also, because of that reason, they are also improving the company performance. Alongside of this top-level management awareness, it is important that the Government could create some incentives to encourage more companies to implement more FFP.

Since in the past few or no studies tried to link the provision of these FFP with company performance in Portugal, this study constitutes a starting point for new research onwards and reinforce the potential gains that these policies can offer to all of the stakeholders within the society.

5.2 Limitations and Future Research

The low response rate (5.89%) constitutes a limitation because all the conclusions taken from these results might not be true for the entire population in Portugal.

The question regarding the usability of FFP and their possible repercussions on employee's wage and career is still open and unclear, although this one is harder to measure because a longitudinal data history would be needed in order to assess the evolution and compare the differences afterwards. Still in the scope of the usability, more studies in the future have to be made, to analyse the actual use of FFP and the availability to all employees in a company despite that they can be simply formally available, but not extended in practice to everyone within the company.

Given that a country culture, social norms and the environment workplace is pivotal for the success of FFP, it is necessary to focus in the future on cross-cultural research to better understand how the relationship between FFP and company performance might change among different countries. The intrinsic culture and social values, of a given country, can critically affect the implementation of FFP.

It is important to highlight that the method to measure performance on Portuguese companies was the subjective measure, thus an objective performance should be made in the future, in order to get more reliable and precise conclusions.

Finally, another limitation found in this dissertation is that due to multiple and unclear definitions for WLB, other scales could have been used to measure it, possibly leading to other conclusions.

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7. Annex

Annex I- Sample Description

		Frequency	Percentage	Cumulative Percentage
Gender	Female	467	64.5	64.5
	Male	257	35.5	100
	Total	724	100	
Marital Status	Single	156	21.5	21.5
	Married	359	49.6	71.1
	Living with someone	153	21.1	92.3
	Divorced	54	7.5	99.7
	Widow	2	0.3	100
	Total	724	100	
Number of children	No children	286	39.5	39.5
	1 child	187	25.8	65.3
	2 children	199	27.5	92.8
	3 children	42	5.8	98.6
	4 children	9	1.2	99.9
	At least 5 children	1	0.1	100
	Total	724	100	
Physical activity	No	329	45.4	45.4
	Yes	395	54.6	100
	Total	724	100	
Education level	Until High School	143	19.8	19.8
	Undergraduate Degree	303	41.9	61.6
	Post-graduation	100	13.8	75.4
	Master's Degree	169	23.3	98.8
	Doctoral Degree	9	1.2	100
	Total	724	100	
Annual Income level	Less than 14 999€	239	33.0	33.0
	15 000€ - 29 999€	268	37.0	70.0
	30 000€ - 44 999€	114	15.7	85.8

	45 000€ - 59 999€	48	6.6	92.4
	60 000€ - 74 999€	27	3.7	96.1
	75 000€ - 89 999€	13	1.8	97.9
	90 000€ - 104 999€	4	0.6	98.5
	More than 105 000€	11	1.5	100
	Total	724	100	
Employment Status	Self-employed	46	6.4	6.4
	Unemployed	0	0	6.4
	Dependent employment	678	93.6	100
	Total	724	100	
Work Regime	Temporary job	46	6.4	6.4
	Permanent job	678	93.6	100
	Total	724	100	
Hierarchical Position in the job	Top-level management	75	10.4	10.4
	Middle-level management	250	34.5	44.9
	First-level management	142	19.6	64.5
	No management position	257	35.5	100
	Total	724	100	
In charge of managing others	No	322	44.5	44.5
	Yes	402	55.5	100
	Total	724	100	
Sector	Private	694	95.9	95.9
	Public	22	3.0	98.9
	Non-profit	8	1.1	100
	Total	724	100	
Family business	Non-family Business	445	61.5	61.5
	Family Business	279	38.5	100
	Total	724	100	
Sales in the foreign market	No	237	32.7	32.7
	Yes	487	67.3	100
	Total	724	100	

A -Agriculture, forestry and fishing	22	3.0	3.0
B -Mining and quarrying	3	0.4	3.5
C -Manufacturing	165	22.8	26.2
D -Electricity, gas, steam and air conditioning supply	8	1.1	27.3
E -Water supply, sewerage, waste management and remediation activities	27	3.7	31.1
F -Construction	22	3.0	34.1
G -Wholesale and retail trade; repair of motor vehicles and motorcycles	117	16.2	50.3
H -Transportation and storage	26	3.6	53.9
I -Accommodation and food service activities	59	8.1	62.0
J -Information and communication	34	4.7	66.7
K -Financial and insurance activities	49	6.8	73.5
L -Real estate activities	51	7.0	80.5
M -Professional, scientific and technical activities	75	10.4	90.9
N -Administrative and support service activities	23	3.2	94.1
O -Public administration and defence; compulsory social security	0	0	94.1
P -Education	9	1.2	95.3
Q -Human health and social work activities	27	3.7	99.0
R -Arts, entertainment and recreation	5	0.7	99.7
S -Other service activities	2	0.3	100.0
T -Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	0	0	
U -Activities of extraterritorial organizations and bodies	0	0	
Total	724	100.0	