

SMBs need to improve reconciliation policies

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Which type of company is better at balancing family and professional life: small- and medium-sized businesses, or multinationals?

Work reconciliation is the ability to avoid conflicts between work and family when compatibility problems arise. Headaches like these are usually the result of a lack of time, stress overload or incompatibility of the responsibilities we have at home and at work.

Since 1999, IESE's Family-Responsible Employer Index (IFREI) has evaluated how work-family reconciliation fares in Spanish companies, mostly large ones. While not discrediting that, it should be kept in mind that 99 percent of all Spanish companies employ fewer than 200 people.

To address this, professors [Nuria Chinchilla](#) (IESE) and Miguel A. Canela (UB) teamed up with Ph.D. candidate Inés Alegre and researcher Consuelo León to study "[Reconciliation Policies, Leadership and Culture in 2,200 Spanish SMBs](#)" ("Políticas de conciliación, liderazgo y cultura en 2.200 pymes españolas").

They found good news and bad news: While SMBs may boast better internal communication and family services, they generally score lower than large companies, particularly when it comes to work schedules, and commitment to and promotion of reconciliation measures, something for which large budgets are not allocated.

No A-class SMBs

Some 2,205 companies located in the Community of Madrid were sampled as part of a larger data-collection project commissioned by Sigma Dos. Unlike the usual practice of defining SMBs as those with up to 250 workers, in this study SMBs were defined as companies with up to 200 employees only.

Of the companies analyzed, 65 percent had fewer than 20 employees. Retail, hospitality, education, public health and social services represented over half of the sample. All received a questionnaire about reconciliation policies, company culture and their commitment to reconciliation. They were also asked about recurring problems and the makeup of their staff.

IFREI classified the participating companies into four levels. Level A, at one end of the scale, included companies considered to be systematically enriching their human environment as well as being family-responsible; level D, at the other end, included companies that systematically contaminate the environment, since they lack flexible policies conducive to work reconciliation.

A total of 16.6 percent fell into level D, while 13 percent reached level B, for those considered to be discretionally enriching. The remaining 70 percent were grouped into level C, which is slightly better than the worst case. Not one single company was considered worthy of level A. The 2006 edition of the study for large companies reflected some better results. It is clear that SMBs have made significantly less progress in the area of work reconciliation.

In the segregated rankings, the best results came from the education sector, followed by public health, social services, finance, transportation, retail and hospitality. The inclusion of these last two sectors comes as a surprise, given their often unsociable hours of operation; however, they appear to offset that factor by being more lenient in offering part-time work.

Smaller is better

The most important differences surfaced when analyzing companies based on number of employees.

The IFREI score was significantly higher in micro-enterprises - those defined as having fewer than five employees - with the lowest score coming from companies having between 50 and 99 employees.

With respect to professional support, there were no size-related differences. Most SMBs do

not offer this type of counseling, or do so only with selected employees. Only those with more than 100 employees stand out for their family services.

The question of leadership is a two-fold issue: how sensitized their executives are about the work-family conflict, and the example they themselves give in terms of their own reconciliation. Once again, the highest scores gravitated toward the extremes, with the main differences emerging among micro-enterprises.

Internal communication has always been better in SMBs, who benefit from greater proximity and the use of informal communication channels. Thanks to that, employees may have the perception that their managers are sensitized to the work-family balance issue, even when lacking a specific budget or a dedicated team.

Companies with up to five employees shined in this area, as well as that of reconciliation strategies. They are the ones who allocate more resources to specific programs, which they have also developed more fully. The results deteriorated progressively as the size of the company increased.

Finally, companies having between 20 and 49 employees fared better in the section on pro-reconciliation practices, which include encouraging workers to go home at a certain time. In terms of cultural deterrents, there were no significant differences between the groups, but in this regard SMBs are far behind large companies.

Thus, when it comes to working in an SMB, it would appear to be better to opt for small rather than medium. Micro-enterprises offer better reconciliation policies, especially in terms of flexibility, leadership, strategy, communication and responsibility. Companies having between 20 and 99 employees are the least favorable in terms of reconciliation, probably because they are in no-man's land: too large to capitalize on the advantages of proximity; too small to offer the possibility of telecommuting or the extended leave given by large companies.

In short, while there are always exceptions, large companies seem better environments for enabling workers to enjoy their family more, albeit in a more rigid framework, whereas SMBs, and micro-enterprises in particular, offer more flexibility and proximity to managers. You choose.

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