



ANALYZING THE ROLE OF WORK-LIFE BALANCE ON EMPLOYEE LOYALTY IN INDIAN STARTUPS: A LINEAR REGRESSION-BASED APPROACH

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Abstract

Employee contributions have been widely acknowledged as critical to the growth of startups. Due to a lack of established structure and a need for more resources, startup employees often put in long hours with high workloads. Employees often take on multiple roles within a startup, each tailored to the business's specific needs at any time. This results in employees being subjected to stress at work that could eventually lead them to become disloyal to their employers due to the difficulties associated with juggling work and personal duties. Therefore, this study examines how work-life balance affects employee loyalty based on the perception of employees working in startups in Kolkata, Bangalore, and New Delhi. With the help of statistical analysis techniques like correlation and regression analysis, this study takes a quantitative approach to the phenomenon being investigated, surveying 120 startup employees. The study's results indicate that a healthy work-life balance is associated with greater employee loyalty. This paper fills a vacuum in the literature and contributes significantly to the expanding body of research that prioritizes work-life harmony to retain loyal employees.

Keywords: Work-life balance; Employee loyalty; India; Startups.

I. Introduction

The growth of Indian startups has impacted the Indian economy and the worldwide market. A startup is a new, innovative firm with growth potential. India's startup culture is prospering and set to expand even more. Indian startups have significantly benefited from venture capital. Venture capital firms help startups with high growth potential scale achieve their goals. The Indian startup ecosystem has attracted a lot of venture capital in recent years, funding and supporting more startups. They have grown and achieved their goals, helping the Indian economy (Panda & Dash, 2016). E-Commerce has also raised the profile of Indian startups. E-commerce has

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opened new markets for Indian startups, helping them grow. For instance, Flipkart and Amazon India are India's largest e-commerce companies, offering a wide range of products and services at competitive prices (Shenoy, 2015). The Indian government has also helped startups grow. The government's startup initiatives include tax incentives, funding, and mentorship programs. Many startups have received funding, tax incentives, and mentorship from the government's Startup India program (Garg & Gupta, 2021). The rising middle class has also aided the growth of startups in India with a large market. Indian startups are taking advantage of this opportunity, developing new products and services to meet the needs of this growing market (Javalgi & Grossman, 2016). Indian startups have also been affected by technology. Thanks to technology, startups can reach new markets, improve operations, and innovate. Technology startups like Paytm and Ola have created new and innovative products and services, significantly impacting the Indian economy (Chaudhari & Sinha, 2021). Thus, the growth of Indian startups has been fueled by venture capital, e-commerce, government support, the rising middle class, and the adoption of new technologies.

Employee conditions in Indian startups have also become a growing concern in recent years despite their rapid growth and economic contribution. Job insecurity is a significant issue for Indian startup employees. Startups' competitive and fast-changing environments make it hard for employees to feel secure. Employees' well-being and performance can be affected by this uncertainty (Rangrez et al., 2022). Indian startup employees also lack job benefits. Startups offer limited benefits in terms of health insurance, retirement and paid leave (Mukul & Saini, 2021). Working hours in startups are also a concern for employees. Startups often require long hours and work on weekends and holidays, which causes burnout and lower job satisfaction (Chaudhari & Sinha, 2021). Employees in Indian startups may also struggle due to a dearth of opportunities to advance their careers. With limited means, it can be challenging for startups to offer employees advancement opportunities. Employees' performance and satisfaction may need more motivation and disinterest (Mukul & Saini, 2021). However, employees remain optimistic despite these challenges. Many employees enjoy working on new and exciting projects. Startups also allow workers to work in a fast-paced and dynamic environment, which can be immensely engaging for some (Chaudhari & Sinha, 2021).

The purpose of the current study is to investigate whether the presence of a healthy work-life balance enhances employee loyalty among employees working in Indian startups or not. A person is said to have achieved a work-life balance when they can successfully juggle their obligations to their family, their job, and other aspects of their lives, such as their participation in extracurricular and social activities (Sturges & Guest, 2004). At the same time, employee loyalty refers to a psychological state that may describe an employee's connection to the company and influences an employee's

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choice about whether or not to remain employed by the organization (Allen & Grisaffe, 2001). Employee loyalty is connected to policies that promote work-life balance. The loyalty of employees, as well as their dedication to the workplace, enhance as a result. Employees who meet their professional and personal needs are more likely to remain loyal to their employer (Roehling et al., 2001). Figure 1 below describes the proposed outline of this study concerning existing literature. In light of these prior studies, the author proposes the following research hypothesis:

H_{1a}: There is a presence of a positive association between work-life balance and employee loyalty.

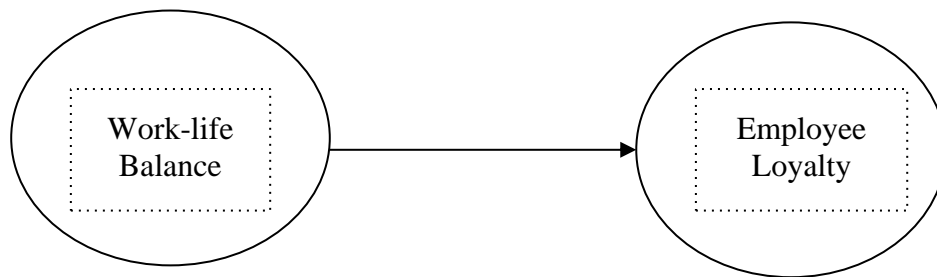


Fig. 1. Proposed study outline

The paper discusses the research methods, results, and conclusions in the subsequent sections.

II. Methods of Study

In order to conduct this study, a standard questionnaire was sent to the 150 employees of select startups in Kolkata, Bangalore, and New Delhi using the snowball sampling technique. The questionnaire was responded to by 135 employees, out of which just 120 are considered appropriate for the study. A four-item measurement scale developed by Bérastégui (2021) assesses an individual's work-life balance. Furthermore, a five-item assessment scale adapted by Matzler and Renzl (2006) is applied to evaluate employee loyalty. These variables are examined using a five-point Likert scale. This research utilizes quantitative methods to explore the impact of work-life balance on employee loyalty. To test the hypothesis, various statistical techniques are used, including an analysis of internal consistency, correlation, and regression. The acquired data is analyzed using Microsoft Excel v.7.6 with the Real Statistics Resource Pack application (Zaiontz, 2020).

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III. Results and Discussion

The first thing that was analyzed during data analysis was the reliability of the scales used in the data collection. *Cronbach's Alpha* is the method that is utilized the overwhelming majority of the time when assessing the reliability of scales (Cronbach, 1951). A Cronbach's Alpha score of 0.6 or greater is required to demonstrate that the scale being applied has high reliability (Malhotra & Birks, 2007). The reliability statistics for the measures used in this study are illustrated in Table 1 below.

Table 1: Reliability statistics

Measures	α	No. of items
Work-life Balance	0.84	4
Employee Loyalty	0.86	5

Note (s): α : Cronbach's alpha

Table 1 shows the Cronbach Alpha values for work-life balance and employee loyalty; both are remarkably high at 0.84 and 0.86, respectively. This statistical evidence suggests the reliability and validity of the scales used in this study. Descriptive statistics reveal that participants generally agree with the variables of work-life balance and employee loyalty. There is quite a variation in the statistics concerning work-life balance and employee loyalty, with the value of standard deviations being 0.86 and 0.88, respectively. As shown in Table II, D Agostino's K-squared test indicates that the data used in the analysis happen to be normalized (Anscombe & Glynn, 1983). It is also observed that there were statistically significant correlations between the variables (at the 5% confidence level), and a correlation coefficient of 0.63 is found between work-life balance and employee loyalty. Consequently, a moderate and favorable link exists between work-life balance and employee loyalty.

Table 2. D Agostino K-squared test results

D Agostino statistics	p -value	Normal
2.05	0.36	yes

Note (s): p : Probability value

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The regression analysis results are shown in Table 3, the coefficients there describe how much consideration should be given to work-life balance when using this model.

Table 3. Regression coefficients

Hypothesis	Measures	Coefficients	<i>p</i>	Decision
H _{1a}	Work-life Balance → Employee Loyalty	0.64	0.00	Accepted

Note (s): The coefficient of the intercept was 0.82; *p*: Probability value

The regression equation may be formulated with the help of the values that were derived from Table 3.

$$\text{Employee loyalty} = 0.82 + 0.64 (\text{Work-life balance})$$

At a significance threshold of 5%, it was determined that the *p*-value was statistically significant. As a result, the alternative hypothesis (H_{1a}) is allowed to stand.

H_{1a}: There is a presence of a positive association between work-life balance and employee loyalty.

It has been established that effective methods of managing human resources are strongly connected with high levels of employee engagement. It can be said that for 1 unit change in the work-life balance of employees, there will be 0.64 units of change in employee loyalty.

IV. Conclusions

The authors conclude that work-life balance significantly affects employee loyalty among startup employees in India. Previous research has also demonstrated that employees' work-life balance significantly impacts their loyalty to the company (Allen & Grisaffe, 2001; Roehling et al., 2001; Sturges & Guest, 2004). The study's findings supported this widely accepted notion that a healthy work-life balance favors loyalty in the workplace in the context of Indian startups as well. The presence of work-life balance in employees' lives results in dedicated and enthusiastic staff. This will also help them raise employees' job satisfaction and productivity. As startups have a substantial effect on local innovation and job creation, employees' work-life balance must get due attention from employers for the long-term sustainability of the startups. The present study is one of the few studies of its kind in the present context, as this one looks at the impact of work-life balance on employee loyalty at India's startup firms. The paper looks to address the current gaps in the literature by raising awareness of the connection between work-life balance and employee loyalty in Indian startups.

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Conflicts of interests

The author confirms that the publication of this paper does not pose any conflicts of interest to anyone.

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