Understanding Differential Organizational Responses to Work/Family Issues: The Role of Beliefs, Attitudes, and Decision-Making Styles of Chief Executive Officers

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Differential adoption of work/life programs by organizations was investigated by studying chief executive officers. A grounded theory was developed and differential adoption explained by the way CEOs made decisions. Implications for work/life program managers include suggestions for persuading CEOs to adopt work/family programs. The study adds to new knowledge in HRD by providing data useful for top management persuasion, executive development, understanding executive decision-making processes, and understanding factors important to work/life program adoption.

Keywords: Work/Life Issues, Leadership, Organizational Culture

Problem Statement

The problem for this research was to discover the processes by which chief executives decide whether or not to provide work/family programs in their organizations. The problem is essentially whether and how differential responses (adoption or non-adoption of work/life programs) to the same environmental conditions (work/life balance issues of employees) are due to strategic decision-making processes, and how these processes are in turn driven by the attitudes and beliefs of top management, in the absence of good empirical data (about work/family program efficacy). A grounded theory is presented which explains differences in organizational responses to work/family issues grounded in interview responses revealing information about the attitudes and beliefs of, and decision-making styles used by, the leaders of the organization.

Theoretical Framework

While the literature on the work and family issue is quite extensive, the research on organizational responses to this issue is scarce. The role that executives, and especially CEOs, play in organizational decisions regarding responses has been rarely empirically investigated, with the exception of the Milliken, Martins, & Morgan (1998) study of human resource executives, who found that the presence of people with dual-career or eldercare experiences in top management did not affect whether or not an organization offered work/family programs.

While there is general acknowledgment that there is a work/family balance issue, a wide level of agreement does not exist as to how the problem should be addressed on an organizational level. Indeed, Rapoport, Bailyn, Fletcher & Pruitt (2002) contended that work and life are not two separate spheres that need to be balanced; rather, integration of these two is key. Some organizations have responded to these issues by providing programs such as flextime, part-time employment, and job-sharing, and have claimed increased retention and productivity (Galinsky, Friedman & Hernandez, 1991).

Several authors and researchers have noted the importance of the chief executive in the adoption and implementation of work/family initiatives (Bankert & Googins, 1996; Budd, Jr., 1996; Hall, 1990; Landauer, 1997; Mascotte, 1993; Perlow, 1998; Vincola, 1998). Culture is most likely driven by top management, leaving the rest of the company to adapt (Jacobs & Gerston, 2004). However, no empirical data exist to explain how and why executives actually formulate their attitudes and beliefs, and subsequent decisions, about work/life programs.

In trying to understand the link between beliefs and behavior, Ajzen and Fishbein’s (1980) theory of reasoned action and Greenwald’s (1968) Cognitive Mediation Theory was employed. The theory of reasoned action assumed that people make rational, and therefore conscious, choices about their behavior based the information available to them and their perceptions of the implications of the behavior. The cognitive mediation theory postulated that cognition, or cognitive responses such as thoughts, mediate persuasion.
Dutton & Ashford (1993) found that executives only act on issues that have been brought to their attention. Whether or not the CEO believes issues can be addressed effectively by the CEO has been theorized as managerial discretion (Hambrick & Finkelstein, 1987). Carpenter & Golden (1997) added the concept of “perceived” discretion, that is, the perception the CEO has of their ability to act. This literature forms the theoretical framework for understanding the link between beliefs and subsequent decision-making of CEOs for this study.

Research Questions

The research question was: How are CEO beliefs and attitudes translated into decisions about the adoption of work/family programs in organizations?

Method

This study utilized grounded theory to generate a theory which would explain the phenomena of CEO beliefs and how they are translated into work/family program adoption decisions. The basic strategy of grounded theory is to gather data from a group of participants typically through an interviewing strategy and through the processes of constant comparative analysis. Inductive and deductive coding induces a set of categories along with plausible relationships among the categories. These categories/concepts and relationships provide the framework for the theory - grounded in the experiences of the participants (Schwandt, 1997).

Data were collected primarily from one hour face-to-face, one-on-one interviews with participants recruited with a letter, by personal contact, or by referrals. Interviews were open-ended with a few questions. All face-to-face interviews took place at the organizational site, in the informant's office, or in a conference room. Interviews were audio taped with the permission of the informants. Specifically, informants were twenty-six CEOs, except for one Division Vice-President, of for-profit organizations in a variety of industries in Denver, Colorado. After leaving each interview, the researcher recorded impressions and observations on audiotape, creating a reflexive journal. Also, when available, documentation was collected on work/family programs available within the organization.

In the sample, there were a number of CEOs who did not have work/family programs, and one who was not supportive of providing programs. While this added some diversity within the sample, the majority of the CEOs provided work/family programs; therefore caution is noted in the transferability of the findings to CEOs who do not provide programs.

The audio taped interviews were transcribed and then coded using HyperResearch. The data were analyzed using constant comparative analysis on an existing database as outlined by West (2001). The coding strategy was guided by the processes associated with constant comparative analysis (Glaser & Strauss, 1967) and utilized both a deductive approach using concepts from the literature review to assist in inducing coding categories, for example, CEO beliefs and CEO experiences, as well as an inductive approach utilizing participants' thoughts to induce new and additional categories. Reliability and verification were ensured with member checks, thick descriptions, and audit trail procedures.

Findings

The CEOs interviewed came from a variety of backgrounds. Sixty-eight percent of the CEOs interviewed were either college graduates or had obtained a postgraduate degree. As might be expected from a Denver sample, most (forty-four percent) were born in the Western section of the country, followed by thirty-two percent from the Eastern part. Only one CEO was not born in the United States. Twenty-eight percent of the CEOs interviewed were between the ages of fifty and fifty-five, with the youngest at thirty-eight and the oldest at sixty-four. They were employed in a variety of industries and sizes of companies.

All of the organizations interviewed reported some sort of response to the work/family conflict needs of their employees in the form of informal work/family programs or what they termed a sensitivity to the issue, while about a third of the organizations had some formal programs. In a few organizations, however, none of the usual work/family programs, such as flextime, part-time, or work-at-home options were available, even though the CEO felt that the organization was sensitive to these issues. Moreover, the availability of these options varied, from managerial discretion to grant some sort of flexibility, to being regarded as a privilege, to being available to everyone, or to being available only to parents. A couple of CEOs believed that there was no need at their organizations for work/family programs.

The main purpose of the research was to generate a theory that explains the differential adoption of work/family programs by organizations. Figure 1 is a graphical depiction of the theory. Decision-making styles are the strategies
that CEOs use to deal with their beliefs about work/family issues and programs. These beliefs are in turn influenced by life experiences and personality factors, and may also be influenced by other factors such as age or education. 

*Strategies: CEO Decision-Making Styles*

To report the findings on CEO decision-making processes, the Rajagopalan & Spreitzer (1997) model of distinguishing between types of studies of strategic decision-making processes was adapted. Content decision-making is rational, focusing on objective data on cost/benefit, productivity, attraction and retention. Process decision-making has two groups, learning and cognitive. Learning processes focus on experimentation, experiences, and talking with others. Cognitive processes focus on beliefs, morality, knowledge schemas, and perceptions. A third category emerged from the data, that of an affective process. This style is more attitudinal than cognitive, and is based on feelings of empathy and respect.

*How Belief and Attitudes of CEOs Are Translated into Decisions to Adopt Work/Family Programs*

Figure 2 is a decision tree diagram that explains the differential adoption of work/family programs by CEOs based on their decision-making styles, as described previously. This decision tree explains every one of the 26 cases. Differential CEO adoption decisions can be explained by understanding differences in how CEOs make decisions in the area of work/family conflict issues of their employees. The differences may apply in other situations as well, but the data only speak to this situation. If a CEO claimed sensitivity but their organization had no actual programs available, or if work/family conflict was not even acknowledged, the work/family decision is a level 1 decision. A level 3 decision was assigned if a CEO did make programs available to most employees, either on a formal or informal basis. Finally, a level 2 decision falls somewhere in between: the CEO has decided on, or tacitly approved, a limited availability of a limited number of programs, on a case-by-case basis, either formal or informal. Most organizations did not have formal programs; the ones that did usually only had a formal flextime program.

**Figure 1. Theoretical Model for Differential Adoption of Work/Family Programs**

Essentially, if a CEO had a process decision making style, he or she would make a positive adoption decision, unless they had no experience, belief, or identification with work/family conflict themselves, either directly or indirectly. If a CEO had a content decision making style, he would not decide to adopt work/family programs at his organization unless he had a need to retain a valued employee, or saw a need to retain valuable workers who happened to be parents, generally women who were new mothers. Therefore, in order for a positive (level two or
three) adoption decision to be made, the CEO had either 1.) a process decision making style and have either learned through experience or some other means that programs would solve work/family conflict issues, had a belief that it was the right thing to do, or had empathy for employees experiencing these issues, 2.) or a content decision making style and perceived a need to retain employees.

CEOs: Case Types

Another way to understand the decision making styles that differentiated CEOs in the sample is to hear their stories. Five distinct stories can be told that describe the five decision-making styles. These styles explain their subsequent decisions about work/family decisions in their organizations—or the decision not to decide. These five stories are: Process Decision-Making Styles (Cognitive, Learning, or Affective) and Content Decision-Making Styles (with retention perceived as a need or retention not perceived as a need).

Learning Egalitarians (Process Decision-Makers with Learning)

This group included CEOs who, whether or not they had direct experiences with work/family conflict themselves, did see employees or colleagues struggling with the issues. They decided to try some alternative work arrangements and, when they worked out well, spread them around the company. Chris’ (no real names are used here) wife worked outside the home while raising children with a full-time nanny and therefore experienced no work/family conflict, but early in his career worked with women who were balancing careers and families. He tried some part-time arrangements and was quite pleased at the way they worked out. He felt like he was getting more for his money; his part-time employees actually worked more hours than they were being paid for, but felt valued because they had been given flexibility. Chris had even given a part-timer a business to run.

![Decision-Making Styles](image)

Figure 2. Decision-Making Styles

For this type of CEO, having tried alternative work arrangements, and having them work out well, was enough of a reason to continue to offer flexibility. Moreover, Chris’ open-minded, learning oriented personality and decision-making style was able to envision employees being able to be promoted to high-level positions despite their unorthodox working arrangements. He believed that employees who were offered flexibility to balance their work and family lives were extremely productive and their need for balance did not affect their opportunities for advancement in their organization. Moreover, talent, not time put in or where it was put in, mattered more to this CEO when it came to advancing employees.
Jack was a learning CEO who had simply not had any experiences personally or through his employees that would have helped him learn to make positive adoption decisions. All his experiences were in industries where high achievement and long hours were the norm, and this was unquestioned.

**Empathetic CEOs (Affective Decision-Makers)**

A CEO’s affective style of decision-making often could be traced to the influence of a CEOs parents and/or by the direct experience of work/family balance issues in their career. Justin’s empathy for employees came from his dad. He genuinely felt that families came first, and because he felt this way, he believed that it was important to allow employees flexibility in spending time with their families. Although his company was in a particularly inflexible industry, Justin was very open to whatever flexible arrangements his employees proposed. He even approved an initiative that he could not justify financially simply because it improved morale. It may be significant that he had only a high school education, and worked his way up the organization. This helped him maintain empathy with the rank and file.

Laura and Gloria, the two female CEOs in the sample, fell into this category. Laura had her children while on the job, and while she resented it at the time, she did what she had to do to keep her life in balance. She now supports programs that help her employees do the same, although employees still need to pilot programs to prove that they can work in the organization. Gloria kept her business going with a child and through a divorce as a single mother. She also extended flexibility to both male and female employees to help meet their family obligations. Since these CEOs were working parents themselves, they had empathy for the parents trying to balance work and family responsibilities.

**Spiritual/Moral and Flexible CEOs (Cognitive Decision Makers)**

This group of CEOs made decisions based on their cognitive belief structures. There were predominantly two different beliefs that affected program adoption: that work/family programs were the right thing to do, or the belief that flexibility was an important value.

Bob and Dick personified this type of CEO, although in other ways they could not have been more different. Bob ran a small technology company, and was married with kids. His wife had worked prior to raising the kids and continued to influence him on work/family issues. Dick was the CEO of the largest company in my sample, and his wife had stayed home to raise the children. Both CEOs, however, felt that work/family programs were simply the right thing to do. Financial analyses were not needed—the decision was made simply on their belief structure.

Other CEOs in this group believed in flexibility. Since they preferred flexibility for themselves, they were more likely to offer it to their employees. They were by nature flexible. They chafed at the inflexibility of their earlier jobs, so as CEO they tried to give their employees as much flexibility as possible. Some experienced work/family conflict, while others did not. One example of how the belief in flexibility plays out in the workplace is the perception that job type precludes flexibility. Several CEOs said call centers or customer service centers cannot be flexible; while one claimed that his center needs to be staffed for flexibility. His perception is that it is most important to allow the front-line employees—the ones in daily contact with customers—flexibility because they are the employees that he wants to keep most happy.

**I Need ’em CEOs (Content Decision-Makers with Perceived Need for Retention)**

Maxwell personified this type. When asked why he promoted work/family arrangements for his employees even though he believed that mothers should stay home and that part-time working moms could not compete with full-time employees, he replied that he needed them. His ambivalence about working mothers was very clear, and perhaps the reason that young pregnant women leave Maxwell’s organization. They are aware that all the flexibility in the world does not compensate for a CEO who believes that flexible work arrangements leave you unable to compete with others in the organization that are working traditionally. This belief contrasts sharply with CEOs who use a learning decision-making style.

**Ain’t Broke Don’t Fix It CEOs (Content Decision-Makers with no Perceived Need for Retention)**

These CEOs, while aware of the concept of work/family programs to alleviate work/family conflicts of their employees, reported that there was no need in their organization because they hadn’t been asked to institute programs, or they felt like work/family programs were a Pandora’s Box, that once opened could never be closed. These CEOs worried about fairness, worried that chaos would ensue when every employee wanted flexibility, and that offering flexibility would be a logistical nightmare. They may acknowledge that such a problem might exist, but they did not see that their organization should play a role in alleviating these conflicts, even if they did exist.

Mike is a prototypical example of a CEO who does not believe it is appropriate for an organization to get involved in this issue. Although Mike had a daughter who is a working mother, he would not let his personal experiences affect his decisions about his organization. The ability to allow past experiences to affect decision-making distinguishes the Learning CEOs. Although he would fight any attempt to make a work/family program policy, he did allow a work-at-home situation to occur, due to his leadership style of relying heavily on delegating to
trusted first reports. However, he refuses to let this employee do her job when she is home; he does not call her at home, and goes to someone else if he needs something from her while she is working at home. It is difficult to see how this employee will advance due to the negative attitude of her CEO to her flexible work arrangement.

Although Mike is in the minority of the sample, based on the literature review, I suspect his beliefs and attitudes are in the majority of CEOs. He felt that his employees were dealing with their family issues and there was no need for him to do anything to make things easier for them. Retention was not a problem.

Conclusions and Recommendations

The work/family literature has never addressed the influence of chief executive officers on the differential adoption of work/family programs in organizations. Starrels (1992) wondered at whether or not CEOs would be more sensitive to work/family conflict issues if they themselves had experienced it. Theoretically, it would be expected that had they experienced conflict themselves, they would become champions for programs to alleviate conflict in the workplace. This research shows, however, that for some CEOs, perhaps the majority, personal experiences have no influence on their decisions about program adoption. Rather, it is the way that a CEO makes decisions in this area that differentiates whether or not programs will be adopted.

The central issue for this research was discovering how the beliefs about work/family programs of CEOs were translated into adoption decisions. The findings, however, show that beliefs of CEOs only play a role in adoption decisions for CEOs who use primarily cognitive decision-making styles. If a CEO uses another style of decision-making, their beliefs are not as relevant to the decision.

Relevance of Findings to Literature

In trying to understand the link between beliefs and behavior, the Ajzen and Fishbein (1980) theory of reasoned action was employed. The findings provided support for this theory. All CEOs based their decisions on their beliefs about whether or not their personal experiences should be used in their decision-making. This separated the content decision-makers from the process decision-makers. Only the process decision-makers based their decisions on beliefs about work/family programs.

Findings of this research are in agreement with the research conducted by Milliken, Martins, & Morgan (1998) who found that the presence of people with dual-career or eldercare experiences in top management did not affect whether or not an organization offered work/family programs. Moreover, the converse does not appear to be true; that is, that the absence of any personal experience with work/family conflict, does not mean that there is no response to this issue. In fact, the learning egalitarian CEOs, did not experience any work conflict directly, although they did encounter it indirectly with colleagues and employees.

Dutton & Ashford (1993) pointed out that executives only act on issues that have been brought to their attention. According to the findings of the present study, personal experience with work/family conflict was not enough to get the attention of some executives. However, the issue of retention did seem to be an attention-getter. CEOs who made decisions using a content style would only adopt work/family programs in order to retain valuable employees. Productivity was not considered to be a proven benefit, although in general CEOs did believe that happy workers were more productive. Retention, however, is considered to be a proven benefit, and a proven strategy to retain an employee when family constraints intrude on their employment viability.

Moreover, for CEOs using primarily a content decision-making style, only direct feedback (or the squeaky wheel) from employees, in the form of surveys, complaints, or requests, even leads them to perceive a need for work/family programs in their organizations. Regardless of personal beliefs or experiences, this type of executive will not act unless he perceives a need. These executives have a content style of decision-making; it is rational and takes into account only outside factors. Content decision-making CEOs may also have strong negative attitudes toward some work/family programs, and following Na (1999), would be highly resistant to persuasion.

Other CEO types allow their experiences to affect their beliefs and attitudes, including their family experiences, and perceive a need even in the absence of overwhelming data from their organization. These CEOs did not require a squeaky wheel; their direct personal knowledge and beliefs were enough. They had a process decision-making style, learning, cognitive or affective. The existence of CEOs with a cognitive style supports Greenwald’s (1968) Cognitive Mediation Theory. The existence of CEOs with an affective style supports Hall & Richter’s (1998) theory of “respect” for the work/family interface.

The current findings support the theory of perceived managerial discretion (Hambrick & Finkelstein, 1987; Carpenter & Golden, 1997). CEOs who had process styles of decision-making did perceive that they had the ability to influence the work/family conflict needs of their employees. So did CEOs who perceived a need for retention. However, CEOs who did not perceive a need for retention, also made comments suggesting that they felt that they
did not have discretion in this area. This was not their problem, they wanted to be supportive, but just didn’t see how they could help with work/family conflict.

Implications

This study has implications for human resource professionals seeking to persuade top management to adopt work/family programs at their organizations. If decision-making style is key to program adoption, rather than rational, bottom-line, business case arguments, first the decision-making style of the CEO needs to be ascertained. Moreover, it would suggest that even if high quality empirical data about work/family program effectiveness existed, it might not make much difference to the adoption of work/family programs. No CEO expressed the belief that work/family programs do not work. In order for more programs to be adopted, effort may first need to be focused on changing CEOs’ perceptions both that a need exists and that they have discretion in addressing it—their role in solving the problem, that it is solvable, and that it will not hurt their business. This is might be particularly true for CEOs primarily using a content style of decision-making.

This research suggests attitudinal and belief change among executives occurs mostly on a personal level, either through experiences with their families or valued employees or peers, or through discussions with other CEOs. This suggests two major strategies: finding CEOs willing to talk about their positive work/family program experiences with other CEOs, and finding ways to provide CEOs with positive work/family program experiences. These strategies may not work, however, with CEOs who do not yet perceive a need; employees also need to take more risks in bringing this issue to the attention of the executive. The wheel needs to squeak considerably more before these executives notice. This is in agreement with the finding by Morgan & Milliken (1992) that employee surveys are needed to bring the work/family needs of employees to the attention of the top decision-makers. Organizations need to ask the question to uncover the need.

Recommendations for Future Research

Further research into this area would involve testing the grounded theory that has been presented with a larger sample size that is more geographically diverse. In particular, further research needs to be conducted on CEOs who do not perceive a need or any discretion in this issue. A quantitative analysis of random CEO samples could be done to see if there were significant differences between CEO types in making differential adoption decisions, and whether decision-making styles actually predicted work/family adoption decisions.

Further research is also needed in operationally defining “family-friendly” and understanding the complex relationship between family-friendliness and profitability. The adoption of work/family programs is not a black and white issue; organizations may have work/family programs in policy, but not in actual practice and parts of an organization may be more family-friendly than others, regardless of policy. Once better methods are devised to ascertain the level of family-friendliness of an organization, the question, “Are family-friendly organizations more profitable?” may be easier to answer. If so, the question still remains: are family-friendly organizations more profitable because they are more accommodating to workers, or are organizations more family-friendly because they can afford to be?

How the Research Contributes to New Knowledge in HRD

The findings on decision-making styles add to knowledge in the field of HRD by adding to the research on how executives make decisions. This is useful knowledge when trying to persuade CEOs on new programs such as work/life, training, succession planning, or planning large scale change. The decision-making styles may provide a guideline for persuading top management.

These findings also contribute to new knowledge in HRD by providing additional data for executive development. They pertain here for how to develop executives to be more family-friendly, but they may extend to other developmental issues for executives, such as increasing emotional intelligence. While there is little that can be done in a development sense to impact an executive’s personal decisions (whether or not his wife should stay home to care for the children, for example), much can be done to create experiences for CEOs that could lead to a greater sensitivity to family issues. For example, exposure to colleagues and employees that are experiencing the conflict, exposure to other CEOs who have had good experiences with higher productivity and retention due to work/family programs; and championing a pilot effort to try some of these programs and then evaluate their effectiveness, are all planned experiences that could influence an executive’s beliefs and therefore his decision-making. However, it is crucial to note that this development effort would only be effective on CEOs who use a learning decision making process. CEOs using a content process would remain unaffected. Moreover, it is difficult to predict work/family adoption because of a mix of motivations; one CEO may adopt them because they want to make it easier for employees to work all the time, while another because they genuinely believe that their employees need help balancing and that these programs will help them.
This brings us to an interesting question: can CEOs who predominantly use a content decision-making style be taught or persuaded to use learning, cognitive, or affective styles? CEOs using process styles could also use a content style. Did they start out with a content style and then evolve into using other styles as well? Are these other styles more highly evolved or sophisticated processes that can be learned, and if so, how? This issue gets to the heart of leadership development: what is innate, and what is learned, and how do they interact? This research contributes information for this ongoing dialogue.

References


